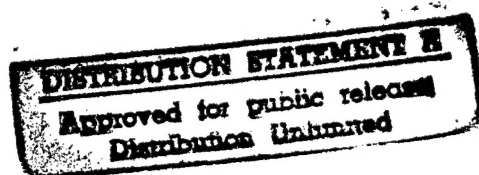


087086

JPRS-KAR-86-004

29 January 1986

Korean Affairs Report



DTIC QUALITY INSPECTED 2

19980218 140



FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY
NATIONAL TECHNICAL
INFORMATION SERVICE
U.S. DEPARTMENT OF COMMERCE
SPRINGFIELD, VA. 22161

4
119
A06

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

29 January 1986

KOREAN AFFAIRS REPORT

CONTENTS

INTER-KOREAN AFFAIRS

Paper Comments on North Korea's MiG-23's (Im Chong-kon; HANGUK ILBO, 29 Jun 85)	1
Daily Terms Spy Rings Discovery 'Alarming' (Editorial; THE KOREA TIMES, 29 Dec 85)	3
Japanese Envoy Vows To Influence USSR on Korean Issue (THE KOREA TIMES, 31 Dec 85)	5
Briefs DJP Seeks Countermeasures to DPRK	7

OLYMPIC GAMES

Daily Says Cohosting Olympics Not Agenda Item for Sports Talks (TONG-A ILBO, 30 Dec 85)	8
Olympic Tower 'Fanciful, Expensive' Symbol (Kim Myong-sik; THE KOREA TIMES, 29 Dec 85)	9

SOUTH KOREA

POLITICS AND GOVERNMENT

Party Leaders Agree on Assembly Agenda (Min Pyong-uk; TONGA ILBO, 21 Aug 85)	11
DJP, Government Explain Self-Renovation, Purification (CHUNGANG ILBO, 6 Sep 85)	15
DJP To Arrange Talks With NKDP 'Next Week' (YONHAP, 4 Jan 86)	20
No Tae-u, Yi Min-u To Meet Again Early January (THE KOREA HERALD, 31 Dec 85)	22

No Tae-u's First Press Conference Reported (CHUNGANG ILBO, 17 Jul 85)	24
Student-Leftist Organization Detailed (CHUNGANG ILBO, 9 Sep 85)	28
Proposed Campus Stabilization Law Announced (TONGA ILBO, 8 Aug 85)	37
Significance of Chon-yi Conference Examined (Choe Kyu-chol; TONGA ILBO, 16 Aug 85)	42
ROK's Chon Calls for Achieving National Unity (YONHAP, 31 Dec 85)	47
Chon Calls for National Unity in New Year Message (AFP, 31 Dec 85)	48
Domestic Political Situation Discussed (TONGA ILBO, 15 Aug 85)	49
Chon-Yi Meeting	49
Unification Minister Warns Students	50
Tripartite Talks	51
YONHAP Cites Three Party Leaders' New Year Messages (YONHAP, 31 Dec 85)	53
ROK Daily Stresses Politics Through Dialogue Among Parties (THE KOREA TIMES, 31 Dec 85)	54
Post-Election NKDP Members Demand Chairmanship of Local Chapter (THE KOREA TIMES, 28 Dec 85)	56
NKDP Imposes 2-Year Membership Suspension on 2 Members (THE KOREA TIMES, 28 Dec 85)	57
Prosecution Sends Summonses to 17 NKDP Lawmakers (THE KOREA HERALD, 28 Dec 85)	58
Party Leaders Seek Meeting To Settle Assembly Violence Issue (THE KOREA HERALD, 28 Dec 85)	60
Briefs	
Investigators Charged With Torture	61
Rival Parties' Reconciliation Urged	61

ECONOMY

Budget for 1986 Plans 10.2 Percent Increase (CHUNGANG ILBO, 27 Sep 85)	62
---	----

ROK To Seek 'Stability-First' Economic Policy in 1986 (YONHAP, 31 Dec 85)	64
SCIENCE AND TECHNOLOGY	
Samsung Promotes Artificial Intelligence Engineering (Chon Sang-ho Interview; CHONGBO SANOP, No 7, Jul 85) ...	65
Big Boost in Genetic Engineering Field Noted (Various sources, various dates)	68
Large Investment	68
Overseas Korean Scholars Recruited	68
KIST Reveals Plans for High Technology Advancement (Kim Young-kwan; HANKUK ILBO, 17 Aug 85)	70
Advances in Computer Translation (MAEIL KYONGJE SINMUN, 3 Sep 85)	77
Semiconductor, Computer Industry Activities Reported (MAEIL KYONGJE SINMUN, various dates)	79
Semiconductor, Computer Strategies	79
16-bit Personal Computer Export Reported	80
Activities in Semiconductor Field Reviewed (Various sources, various dates)	81
Seoul University Opens Research Center	81
New Samsung Semiconductor Factories	82
New Hyundai Plants	82
Export Industrialization on Fiber Optics Encouraged (HANGUK SINMUN, 10 Oct 85)	83
Robots in Automobile, Electronics Industries (MAEIL KYONGJE SINMUN, 26 Oct 85)	85
FOREIGN RELATIONS	
Foreign Minister Reveals Diplomatic Goal for 1986 (YONHAP, 31 Dec 85)	87
Briefs	
ROK Denies Japanese Prince's Visit	89
FOREIGN TRADE	
Textile Circles To Send High-Powered Mission to U.S. (YONHAP, 30 Dec 85)	90

U.S. Protectionist Sentiment Based on False Rationale (HANGUK ILBO, 2 Oct 85)	92
--	----

Briefs

1985 Exports Rose 3.5 Percent	94
-------------------------------------	----

NORTH KOREA

POLITICS AND GOVERNMENT

NODONG SINMUN Editorials for July 1985 (NODONG SINMUN, Jul 85)	95
---	----

ECONOMY

Upgrading Economy Through Technical Innovation (MINJU CHOSON, 27 Jul 85)	104
---	-----

Disabled Veterans Produce General Goods (Yi Chong-Kwan; NODONG SINMUN, 30 Jul 85)	107
--	-----

Producing More Machine Tools (Pong Mu-Kil; NODONG CHONGNYON, 26 Jul 85)	110
--	-----

New Plant To Produce Parts for Extraction Facilities (MINJU CHOSON, 11 Oct 85)	112
---	-----

INTER-KOREAN AFFAIRS

PAPER COMMENTS ON NORTH KOREA'S MiG-23'S

Seoul HANGUK ILBO in Korean 29 Jun 85 p 4

[Article by Im Chong-kon: "Soviet Provides MiG-23's to Northern Puppets"]

[Text] Close military ties between the Soviet Union and North Korea are advancing to a stage that will openly shatter the military balance on the Korean peninsula.

A prime example is a report on 29 July by Japan's SANKEI SHIMBUN that the Soviet Union has already provided North Korea with 4 of its most up-to-date MiG-23 fighter planes and plans to provide some more 50 planes in the future.

Currently in the military balance between North and South Korea a South Korean qualitative superiority is barely balancing an overwhelming North Korean numerical superiority.

The U.S. F-16 fighter is capable of handling the MiG-23. Currently, U.S. forces in Korea have 48 F-16's but the Republic of Korea Air Force as yet has none.

It is known that South Korea plans to introduce some 30 F-16's from the United States beginning next year.

North Korea's possession of the MiG-23 means that North Korea is in a position of overwhelming superiority, not only in numbers of course, but in qualitative terms as well. This is because the greatest leverage for military balance through our side's qualitative superiority has been in the area of fighter aircraft.

It is noteworthy that the Soviet Union's provision of the MiG-23's to North Korea comes at the same time that a mood of relaxation of tension is rising on the Korean peninsula due to the South-North dialogue.

The story that MiG-23's were being given to North Korea began to circulate following the arrival at North Korea's Hwangju Air Base of a formation of 10 MiG-23's on the pretext of a congratulatory flight in commemoration of the Soviet victory in World War II. Just before the flight of the MiG-23 formation (4-6 May), Chinese Communist Party general secretary Hu Yaobang had secret talks with Kim Il-song in Sinuiju. It is now known that Hu sounded out North Korea's true intentions following the introduction of MiG-23's at that time.

It is believed that Communist China may have expressed its concern that North Korea's possession of the MiG-23's might have a negative influence on easing tensions in the Korean peninsula. However, the current SANKEI SHIMBUN report confirms that Hu failed in his active opposition to the acquisition. Western military sources speculate that in his talks with Hu, Kim Il-song may have objected to the strengthening of Communist China's military cooperation with the United States and Japan and China's contacts with South Korea in non-political fields, and may have used these trends as an excuse for the introduction of the MiG-23's.

SANKEI SHIMBUN reported that Soviet provision of the MiG-23's began on 20 May and that four of the planes have arrived at the Pukch'ang Base on the outskirts of Pyongyang and are now being test-flown by North Korean pilots. The paper anticipated that the remaining MiG-23's will be sent to the Hwangju Base, which is currently undergoing a massive enlargement.

It was made known that the Soviet Air Force removed the most secret parts from the MiG-23's given to North Korea. However, as these supersonic fighters, which can fire air-to-air missiles and have a combat radius of 1,300 km and a speed of Mach 2.3, go into the hands of bellicose North Korea, the situation on the Korean peninsula is becoming one that will color the South-North dialogue.

It is known that before the MiG-23's, the Soviet Union provided North Korea with new types of weapons such as the SCUD surface-to-surface missile and the T-72 tank, and it was announced that some 84 U.S.-made attack helicopters of the same type possessed by the South Korean armed forces were secretly shipped into North Korea; thus even more vigilance is required due to North Korea's bellicosity. The analysis of military specialists, that the South-North talks currently underway are being used as another means for strengthening North Korea's military power, has taken on additional credibility.

12837/12859

CSO: 4107/230

INTER-KOREAN AFFAIRS

DAILY TERMS SPY RINGS DISCOVERY 'ALARMING'

SK290100 Seoul THE KOREA TIMES in English 29 Dec 85 p 4

[Editorial: "New Finding on Spy Rings"]

[Text] Whenever the Pyongyang-dispatched espionage rings are unearthed in the South Korean society, the people at large here cannot help expressing their profound concern over the future path of inter-Korean dialogue for mutual accommodation, which has been undertaken through multilateral channels.

As the people in the South learn of the new revelations by the anti-espionage authorities of subversive spy rings, manipulated by the North Korean Communists in various sophisticated and deceitful ways, public suspicion grows as to Pyongyang's ultimate goal: that is, it may be more concerned with how to attain eventually its revolutionary cause by force, rather than sincerely talking about the settlement of inter-Korean questions with the South at the conference table.

Alarming the South Korean citizens once again was the latest finding of eight North Korean spy networks in operation in the South, embracing a total of 11 espionage agents, as was announced by the National Police Headquarters yesterday.

It was learned that these espionage agents had been engaged in making contacts with leading personages in the South, trying to establish underground cells among collegians, possibly taking advantage of the recent campus disturbances here.

According to the police authorities, the main concern of these agents was specifically to collect military information in the South, while grasping what is going on in the South Korean society precisely in varied sectors.

Those spies arrested by police included a South Korean fisherman who had once been abducted to the North and later repatriated to the South, and five others who were affiliated with a pro-Pyongyang group of Korean residents in Japan. There were also two espionage agents who had traveled to North Korea via Japan.

Particularly alarming the public is the police findings that the North Korean regime has recently activated espionage bases close to the Military Demarcation Line and that the Pyongyang agents are wooing South Korean sailors or others working abroad.

The people in the South are yet again reminded to be on alert against North Korean espionage activities, capitalizing on all vulnerable aspects of a free, open society.

/12858

CSO: 4100/65

INTER-KOREAN AFFAIRS

JAPANESE ENVOY VOWS TO INFLUENCE USSR ON KOREAN ISSUE

SK310148 Seoul THE KOREA TIMES in English 31 Dec 85 p 1, 4

[Text] Japanese Ambassador to Korea Kroe Kiyohisa Mikanagi said yesterday that one thing Japan will do to help solve the Korean problem is to "try to influence the USSR" to take a more favorable attitude towards the current inter-Korean dialogue.

In a year-end interview with THE KOREA TIMES, Ambassador Mikanagi said: "Although we believe that this unfortunate division on the Korean peninsula should be peacefully solved by the efforts of the direct dialogue between the North and South Korean people, Japan will certainly discharge her duty as a close neighbor to this country." "This includes that we will try to influence the USSR, whenever possible, to take a more favorable attitude towards North-South dialogue."

The ambassador, who was assigned to Seoul a little over a year ago, said he is delighted to see that "things are moving so smoothly" during the landmark year of the 20th anniversary of the diplomatic normalization between Korea and Japan.

Terming the present state of affairs between the two neighboring countries as a "happy relationship," Ambassador Mikanagi noted that it was the result of the exchange of visits by the leaders of the two nations in the preceding years.

The ambassador said that, in his personal view, he is in favor of future exchanges between Korea's major opposition New Korea Democratic Party and Japan's opposition Japan Socialist Party. "It is important for the Korean people to maintain as many friends as possible in other countries. From this point of view it is not bad for the JSP and the NDP to realize an exchange between the JSP and the NDP, provided that their relations are acceptable to the Korean government and people. This is my own personal view," he said.

As for the possibility of improved relations between Japan and North Korea following Tokyo's lifting of sanctions imposed on Pyongyang following the Rangoon atrocity, Ambassador Mikanagi stressed that Japan "had only returned to the former treatment of the North Koreans." "There is no change

or development whatsoever in our relations with the North, and this can be seen from the experience in the last year," he said.

The following are excerpts from the interview.

Question: What is the most significant development in Korea during the past year?

Answer: Among the developments in the Korea-Japan relations in the past one year, I consider as most important the 13th Ministerial Conference which was successfully held in August.

Question: How are bilateral relations expected to go in the coming years?

Answer: I am delighted to see that things are moving so smoothly during this important landmark year of the 20th anniversary (of diplomatic normalization). I believe that this was brought about by the exchange of the visits of both countries in the summit in the preceding years, and it is an important responsibility of the two peoples to continue and expand this happy relationship in the coming years. My own prediction on this point is that the relations between our two nations will continue to be good and amicable if our two peoples are to continue to work hard.

Question: How will the cooperative mood shown in the ministerial conference be reflected in solving the decades-old bilateral issues, especially those concerning Korean residents in your country?

Answer: The achievements of the 13th ministers' meeting were naturally based upon the result of the preceding summit exchange of visits and we're expanding them along the lines of the visits. The bilateral problems outstanding between our two nations are years-long issues and will take more time to solve. As it was mentioned by Foreign Minister Abe at the time of the ministers' meeting, the Japanese government is determined to endeavor to solve the problem along the broad line of mutual friendship of our two nations.

Question: How will relations between Japan and North Korea develop in the future?

Answer: After the lifting of the sanctions which Japan had imposed on North Koreans as the result of their mal-behavior in the Rangoon incident, Japan had only returned to the former treatment of the North Koreans and this has been maintained since the lifting. There is no change of development whatsoever of our relations with the North, and this can be seen from the experience in the past year.

/12858

CSO: 4100/65

INTER-KOREAN AFFAIRS

BRIEFS

DJP SEEKS COUNTERMEASURES TO DPRK--Seoul, Dec 28 (OANA-YONHAP)--South Korea's ruling Democratic Justice Party (DJP) has decided to take counter-measures against increasing efforts by Pyongyang to disrupt the activities of pro-Seoul Korean societies abroad. In a meeting of the DJP's diplomatic and security subcommittee on Friday, the ruling party decided to urge the government to keep Koreans living abroad well informed on security conditions at home. The subcommittee is chaired by the former unification minister, Son Chae-sik. The measures may involve the strengthening for Korean overseas missions' publicity about the security situation on the peninsula, a party source said. The DJP is also expected to urge the government to be more thorough in teaching Korean emigrants about South Korean security before they leave the country and to distribute publicity publications to Koreans living abroad on a continual basis. [Text] [Seoul YONHAP in English 0700 GMT 28 Dec 85 SK] /12858

CSO: 4100/65

OLYMPIC GAMES

DAILY SAYS COHOSTING OLYMPICS NOT AGENDA ITEM FOR SPORTS TALKS

SK301306 Seoul TONG-A ILBO in Korean 30 Dec 85 p 1

[Text] The second round of North-South sports talks is scheduled to be held 8-9 January next year in Sausanne, Switzerland.

A 6-member Korean Olympic Committee [KOC] delegation led by its chairman, Kim Chong-ha, is to leave for Sausanne on 3 January.

The second round of North-South sports talks will be held among 6-member delegations from the International Olympics Committee [IOC], the North, and the South, respectively, under the chairmanship of IOC President Samaranch, as was the case with the first round of talks, held last October.

At the first round of North-South sports talks, the KOC delegation, accepting the IOC's recommendation, expressed its willingness to cooperate with North Korea within the limits stipulated by the IOC Charter if North Korea abides by the Olympic Charter. North Korea, however, insisted on having the North and South cohost the Olympics.

The IOC once again confirmed that the issue of the North and South cohosting the Olympics cannot become an agenda item to be discussed at the North-South sports talks. Therefore, the issue of cohosting the Olympics has been excluded from the agenda items to be discussed at the second round of North-South sports talks.

/9274

CSO: 4107/071

OLYMPIC GAMES

OLYMPIC TOWER 'FANCIFUL, EXPENSIVE' SYMBOL

SK290114 Seoul THE KOREA TIMES in English 29 Dec 85 p 1

[From the "News in Review" column by political editor Kim Myong-sik:
"'Olympic Tower' Expensive Symbolism"]

[Text] More than 9 billion won or \$10 million is going to be turned into a huge mass of concrete, steel and stone as a fanciful symbol of the 1988 Olympics.

The sculptor, whose original entry in a public contest could not satisfy the Seoul City Hall authorities, simply enlarged its scale four times to win the prize.

Added to the original design were the five Olympic rings, which were put on top of the great tower so as to look like the nozzles of a giant spaceship. Each ring has a diameter of 16 meters.

City Hall officials now announce that the capital city will have an edifice "eight times as large as Namdaemun Gate, six times the Tien An Men in Beijing and twice the Arch of Triumph in Paris," which will be a source of pride for future generations.

If members of the public are impressed by the colossal size of the '88 Olympic Tower, they are also made to think over how much expensive symbolism is justifiable in the present state of the Korean nation.

Looking at the black and white version of the design printed in the front pages of newspapers, some reacted with dismay, recalling the large amount of the nation's foreign debts that are still growing after repeated pledges by Olympic-related authorities to make the 1988 event an economic one and amid the reports of sluggish sales of the emblem rights, the grand monument project certainly sounds puzzling.

The fact that only a very small portion of the structure is going to be practically utilized, for exhibitions and performances, further raises the feeling of prodigality.

Some considerate observers looked over the whole process of planning and executing such projects in the capital city administration. Without a municipal assembly, only a handful of bureaucrats, plus some advisory boards, are all who are responsible.

The cost of erecting the '88 Olympic Tower is equivalent to 1,000 won for each and every resident of the city. But it is just a small drop compared to the 2 trillion won annual budget of the city, which is executed without being checked by any representative organ.

After the implementation of the local autonomy system a couple of years later, there will be little institutional means for the taxpayers to reflect their opinion on the city administration.

A special committee made up of legal, administrative and other experts, is working on the task of formulating the details for the self-ruling system, under the guidance of government agencies.

Informed sources said a guideline has been set to begin the autonomy in the land-locked province of Chungchongpukto, considered most inactive politically among the nation's nine provinces and four special cities.

Therefore, Seoul is not going to be the first to see the re-establishment of its own assembly after more than two and a half decades of absence. The 1961 military coup abolished the local autonomy system.

The '88 Olympic Tower is scheduled to be dedicated by mid-August of the Olympic year. Until that time, there still is the possibility that the design is further revised and modified in accordance with the whims of bureaucrats involved in the project.

In the meantime, the hapless citizens will just have to pay taxes, buy compulsory bonds and revenue stamps in support of the construction no matter how they feel about its shape, scale or the ideas behind them.

/12858

CSO: 4100/66

S. KOREA/POLITICS AND GOVERNMENT

PARTY LEADERS AGREE ON ASSEMBLY AGENDA

Seoul TONGA ILBO in Korean 21 Aug 85 p 3

[Article by Min Pyong-uk]

[Text] At the meeting held on August 20th, the leaders from the three ruling and opposition parties agreed on the principle to jointly call the 127th extraordinary session of the National Assembly. Thus, another point of political dispute this August has been settled. The politics of August, though they started out with clamor, appear to be heading towards a harmonious conclusion by the efforts of the leaders.

On the question of the enactment of the campus stability law, there had been intense pro and con disputes between the ruling and the opposition parties, but an atmosphere of reconciliation has been created by the meeting of three party representatives, followed by the meeting between the president and the presidents of the opposition parties and the decision of the president to "defer the enactment of the law." At one time, it looked as if the ruling and opposition parties were headed towards a showdown on the issue of the revision of the tax exemption and reduction control law in the public welfare issue-dominated August session of the National Assembly, but ended at an anticlimax when the Democratic Justice Party [DJP] assured that "the tax exemption and reduction law will not be presented in the August session of the National Assembly."

Thus the political development has started to show an air of "high level" polish as the Speaker of the Assembly Yi Chae-yong has called a meeting of the leaders of the three parties whenever interparty friction has turned intense, and has also presented a dramatic solution to the problem. The increased importance of the "logic of dialogue" between the ruling and opposition parties is noted.

At the meeting of the three parties' leaders, held on August 20th, presided upon by Speaker Yi, the chairman of the DJP, No Tae-u, told Yi Min-u, president of the New Korea Democratic Party [NKDP] and Yi Man-sop, president of the Korea National Party [KNP], that it would not be desirable to destroy the "atmosphere of the politics of dialogue" that they have begun to enjoy as a result of deferring the campus stabilization bill because of the question of calling an extraordinary session of the Assembly, and he went on to assure them that "the DJP does not intend to push through the tax exemption and reduction bill, which is the key to the convening of the August extraordinary session."

In response, NKDP President Yi began with the note that "it is desirable to have a little rest because of the great exhaustion resulting from coping with the rapidly changing political development," and went on to say that he would be "glad to respond positively to the convening of an extraordinary session if it is for finding a way to solve the public welfare problems."

President Yi of the KNP stated that "as the opinion of my party is that the National Assembly session should be convened to discuss the public welfare problems, I support the calling of a joint session." Thus, both the ruling and the opposition parties have agreed without any difficulty to jointly call an extraordinary August session of the Assembly.

What should be noted here is that on the day before, August 19th, the DJP leader of the floor, Yi Se-ki, at the three-party floor leaders' meeting, said that "the tax exemption and reduction law must be taken up at the August session of the Assembly, and if opposition parties oppose the convening of the Assembly because of that, the DJP is willing to go it alone." The expression that the "tax exemption and reduction law must be taken up" should not be construed to mean that the DJP wants to pass the law at any cost. It instead implies that the DJP felt strongly that the law should be debated, and that in the end, it might be adopted by a vote.

The fact that just one day after the floor leader Yi made that strong statement, it was amended by chairman No who assured that it would "not be pushed forcibly through the Assembly can be interpreted in several different ways.

First of all, as has been made clear by both ruling and opposition party leaders, they all share the same feeling that the mood of reconciliation and dialogue should not be destroyed. When the ruling and opposition parties confronted each other, unwilling to yield an inch on the issue of the campus stability bill, the political situation was so tense that it looked as though it would explode anytime; however, the tension was defused by the leaders' meeting, which helped achieve a compromise for reconvening a session of the National Assembly. The recognition that the defusing of the tension and the establishing of a political atmosphere of dialogue by the personal efforts of the President, who is also the president of the DJP, should not be destroyed, and the belief that it would create an image that it is a party of reason and willing to make concessions to the opposition parties as well as to the people have prompted the DJP to make such a move. On the part of the NKDP, since 1) the president accepted the proposals made at the leaders' meeting, 2) it had been given assurance that the tax exemption and reduction bill would not be pushed through, and 3) the campus stabilization bill had been tabled, it thought that it would be unnecessary to create a misunderstanding to the effect that it opposes for the sake of opposition by opposing the convening of the August session of the Assembly. The NKDP thought it should create an impression of pursuing politics of dialogue.

Secondly, as for the DJP, it probably foresaw that it would be forced into a difficult position if it went to the extent of convening a session of the Assembly alone and passing the tax bill.

The DJP was reportedly concerned that the fact that the NKDP had proposed a special committee to investigate the unsound industries be established before deciding on the tax law was to expose the ulterior motive for presenting the revision proposal of the tax bill, and at the same time that it might result in turning the entire blame for the economic troubles of the past and present on the government and the ruling party.

As has been charged by the KNP, the DJP has come to realize that the tax bill revision proposal would favor big business rather than the medium and small-size businesses, and it is afraid of the criticism that what it tries to do is contrary to its claim that its policy is to "nurture primarily the medium and small-size businesses."

Thirdly, the passing of the tax bill is not that urgent to go to the extent of jeopardizing the mood of dialogue. After having introduced the revision proposal for the tax exemption and reduction bill last May, the government-ruling party has started to allow the Bank of Korea to issue special loans and thus, in all practical purposes, it has already developed special measures to help the unsound industries and banks. The special loans of the Bank of Korea have functioned as a sort of camphor injection, and it appears that the government-ruling party figured that there was no need for putting the tax bill forcibly through the Assembly during August.

Lastly, on the one hand the government-ruling party needs to see some positive results of supporting businesses by taking care of the supplementary budget bill and by releasing 257.2 billion won. On the other hand, the opposition parties cannot afford to put off the supplementary budget bill for public welfare any longer. Thus, their ideas and needs were in complete correspondence.

On the supplementary budget bill, chairman No of the DJP stated that "it is urgent to pass the supplementary bill as soon as possible to help the low income people in the farming and fishing villages, to expand the college student loans, and to promote the investment effects of the government-invested industries." He went on to stress that the settling of the additional budget bill would bring about a 0.2 percent increase in the GNP, and would thus "open up a chance for the crisis economy to breathe again."

As for the NKDP and other opposition parties, they cannot possibly turn their backs on the government-ruling party, which is in a predicament. They probably figured out that just delaying the passage of a bill which should be passed any way eventually is not only undesirable for the sake of the public welfare, but that it also provides the people with the ammunition to attack their attitude.

Taking such a situation into consideration, the August extraordinary session of the National Assembly, scheduled to meet from the 24th, appears to be fully occupied with economic issues, and is unlikely to create major political turmoil even if some clashes in politics develop.

It appears that on the part of the opposition parties, they will use the August session of the Assembly as a rehearsal ground for their real offensive against the ruling party in the regular Assembly session beginning in September. On the part of the ruling party, it appears that it will prepare for the attack from the opposition and reassure its own internal unity during the August session.

12474/12795

CSO: 4107/277

S. KOREA/POLITICS AND GOVERNMENT

DJP, GOVERNMENT EXPLAIN SELF-RENOVATION, PURIFICATION

Seoul CHUNGANG ILBO in Korean 6 Sept 85 p 3

[Text] On the 6th, in its Central Executive Committee, the Democratic Justice Party decided on an implementation package for a self-renovation campaign and has started to devote its efforts to self-renovation in this latter half of the administration.

In this renovation campaign the major efforts are being divided among the activation of party management, the creation of a more advanced consciousness, and the development of policies for the common people. Already, with the 3 September revamping of the party organization, the first stage of the measures aimed at activating party management, which is the most essential element of these three, has been carried out and prospects are that in the future it will be pursued further with revamping of the Central Executive Committee and revamping of the party structure.

Along with this self-renovation movement by the DJP, the government as well plans next week to announce and put into effect guidelines for the movement for the renovation of the public servant community. This is an indication that this starting of self-renovation will spread widely among the government and the ruling party and that it will even influence society in general.

It appears that the influence of this renovation campaign will be wide and deep since it is not limited to just a few areas but will encompass politics, economics, society, culture and all areas.

In this self-renovation movement, what attract the most attention are the self-reformation policies which include sweeping personnel purification in the government and the ruling party.

While vigorously carrying out within the party the putting of its own house in order, the DJP is demanding that the government as well implement personnel measures to deal with public servants who are either incompetent or have been misunderstood and clear up somewhat the atmosphere around high-ranking officials.

This is a movement to regain the confidence of the people through internal house-cleaning in order to establish the appearance of a strong government and

a strong ruling party and restore the trust in the government and the ruling party which has been shaky since the 12th general election.

While forbidding in particular favoritism in appointments of people in one's immediate environment in order to eradicate influence-peddling and special favors before they arise, eliminating sources of groundless rumors, the DJP has a goal of establishing attitudes that exclude the feeling of being particularly privileged and is demanding that the government as well clean-up, in this way, the atmosphere around high-ranking officials.

The gist of the demands they are making of the government is that there should be administrative measures taken against public officials who are misunderstood by the citizenry and that they should be made to clean up the atmosphere around them themselves. Also, discipline should be established among civil servants and administrative measures taken against those civil servants who are lackadaisical, incompetent, or who have complaints against them. When such measures are applied to the civil servant community, it can be expected that there will be a fair number of follow-up measures.

Likewise, it cannot help but have a great influence on the civil service personnel when the impartiality and objectivity of government administration is guaranteed and the appointment of non-specialists to specialized posts, as well as the appointment of high-ranking public officials to positions in public organizations after they retire, is curbed.

Along with such measures by the ruling party and the government in personnel administration, the DJP has also decided upon the rationalization of the party administrative organization.

It is a fact that, though voices from below have been activated and democracy within the party has been promoted, it is still true that those above give orders and those below receive them.

Accordingly, in order to win the support of the people, they will have local party units thoroughly examine the agenda for meetings before they are held and will establish channels to report their opinions to the top. Also they will make the prior deliberation of policies by standing committees more constructive.

As part of this policy of activating party structure, they are thinking of increasing competition, changing the party election system, which up to now has just been a formality, into a reality.

Accordingly, they are planning on changing what has been up to now essential control by the party headquarters to essential control by regional branches and they are devising a system for the selection by party members of the chairmen of regional councils and of the heads of regional party organizations of youth and of women.

By activating party organizations and abandoning the one-directional system of those above giving orders and those below obeying them, they are also, more

than anything else, preparing for the upcoming local autonomy system which is expected to be implemented in 1987.

Next, in the consciousness-reformation campaign, the plan is to leave behind the old "don't do that" way of regulations and prohibitions and launch a positive, encouraging movement of "do it." Accordingly they are launching a "good neighbor movement" actively to inform the citizenry of party policies.

This is manifest first with the elimination in the section on consciousness reforming of what one would expect to appear there naturally, such as "not going to kisaeng restaurants," "not playing golf," and "not using foreign products."

The third point, "developing policies for the common man," takes in all that would make the lives of the citizenry easier, from adjusting bus routes and eliminating sub-standard foods to lowering taxes. These all in the final analysis appear to be aimed at regaining lost popularity and gaining the support of the majority of the citizens.

Their saying that they will correct the mishandling of TV broadcasting, which up to now has been faithfully serving the government and the ruling party, should also be interpreted from that angle and it is the same with their calling for curbs on the sons and daughters of the upper class going overseas for study and training unnecessarily.

That is because it is only natural that, no matter how much they seek a "strong government and a strong ruling party," if they do not establish a renovated posture they are doing nothing more than engaging in wishful thinking.

It has been learned that, in line with the DJP's renovation campaign, the government as well is studying plans for attacking laziness, ineptitude and corruption on its own.

It is reported that already they are gathering material for this and are already almost finished, but the government's position is that, unlike the short-lived enforcement that has been the practice up to now, they are going to implement this gradually and over the long-term.

That is because they intend to eliminate an administrative atmosphere of mistrust, putting an end to anxiety and uncertainty in the civil servant community.

Such a movement by the government and the ruling party, begun out of deep concern over the current state of affairs, appears to be an effort at self-rescue by the ruling group, which is faced with political tests in the latter half of their administration.

How much strength the government and the ruling party have to push through this self-renovation movement they are planning while they are concerned with difficult actual political and economic complications is a question attracting a lot of attention in political circles.

The Self-Renovation Implementation Plan

Activation of the administration of party organizations: organization administration under the responsibility of the regional party chairmen; gradual transfer to local party chapters of the authority of the party headquarters; strengthening the guidance and assistance functions of party headquarters and nurturing local chapters' ability to handle matters themselves; introduction of competition for the chairmanship of the local convention, for the local youth and women chairmen, and for subcommittee chairmanships.

Rationalization of the party's administrative system: sufficient prior examination of the agenda for the national party convention by the participants before they attend; the collection of public opinion centered in the local party chapters and its reflection in policy; reexamination of the human element in committees, including the Central Executive Committee, and the creation of an atmosphere of participation; prior deliberation of important policies in order to more constructively utilize standing committees; institutionalization of participation by standing committee heads in all meetings, such as the Central Executive Committee, party functionary meetings, and policy meetings.

Reform of consciousness: enhancement of a sense of responsibility that anywhere and under any conditions says "if there is a problem, I will respond to it at once"; resolution with epochal participation by the party of all sorts of problems of academic institutions, the work place, and natural disasters; understanding and supervising problem students by each local party chapter in order to provide guidance for students and establishment of friendship through school, regional, or blood ties; establishment and operation of counseling centers for all the nation's workers; launching of a "good neighbor" movement to supply spiritual and material benefits to the poor, to working youths, and to household heads who are not yet adults; organization of a group of speakers for the movement to reconstruct the consciousness of the citizenry and propagandizing widely on the party's ideals and on political issue (the speakers group should be composed of around 50 members: 20 assigned to it, 20 winners of speech contests, and 10 female party members. It should be made responsible for instructional lecture tours, informal get-togethers, and speech contests.); measures to operate colleges for housewives, senior citizens, and newlyweds so as to expand the reformation of consciousness to all party members and to the citizenry.

Cleaning up of one's own environment: elimination in advance of any suspicious traces of influence peddling and special privileges in order to remove any sources of groundless rumors; keeping order in traffic; rising above a luxurious life style and surroundings; curbing frivolous overseas travel and education.

The frugality campaign: simplification of events and restraint in the use of high-class hotels for party functions; self-restraint in the use of floral wreaths except for official functions.

Measures to guarantee the citizen's livelihood: rigorous control of family-destroying crimes and strengthening of punishment; launching of a campaign focused on women's organizations for taking care of one's own family; total revision of foodstuff hygiene laws by greatly strengthening penalties and sanitation enforcement standards in order to eradicate impure and substandard foods.

Promotion of policies for the common man's livelihood: enhancement of those areas in which the poor are settled by increasing the number of water lines to hill-top areas, of public restrooms and telephones, and of postal substations; mitigation of excessive regulation in order to guarantee the livelihood of the poor; expansion of the supply of rental housing for the common man; improvement of policies for the transportation of the common man such as buses and taxis; expansion of legal services for the common man.

Self-renovation of the government and the party: construction of a basis for trust by sustaining consistency in policy; reformation of official society by strengthening discipline among civil servants, improving their attitude of serving the people, and eliminating complaining and laziness; national promotion of frugality and diligence.

9953/12379

CSO: 4107/310

SY KOREA/POLITICS AND GOVERNMENT

DJP TO ARRANGE TALKS WITH NKDP 'NEXT WEEK'

SK040527 Seoul YONHAP in English 0517 GMT 4 Jan 86

[Text] Seoul, 4 Jan (OANA-YONHAP)--South Korea's ruling and opposition political parties are expected to make brisk contacts next week, in an effort to break out their ongoing impasse, political sources said Saturday.

The ruling Democratic Justice Party (DJP) plans to convene a special National Assembly session, in which President Chon Tu-hwan will deliver his new year policy statement, around 20 January. It has become a parliamentary tradition in Korea to hold a special session every January to hear the president's new year address.

The DJP will arrange a series of talks with the opposition New Korea Democratic Party (NKDP), including a floor leaders' meeting and a meeting of leaders from both parties, as soon as possible, the sources said.

Relations between the DJP and NKDP were strained last year because of sharp disagreement over the issue of revising the constitution and the ensuing breakdown of the National Assembly's regular session, which ended in mid-December.

While the DJP plans to limit discussions to the holding of a special assembly, the NKDP hopes that the bipartisan dialogue will include other political issues, such as the establishment of a special National Assembly committee to amend the constitution.

Political observers here predict that DJP Chairman No Tae-u and NKDP President Yi Min-u will meet next week. In a year-end meeting at the residence of Speaker Yi Chae-hyong, the two leaders tentatively agreed to meet again soon.

The two parties reportedly plan to reshape their respective leadership structures.

According to political sources, rumors have it that the DJP and the administration plan to make "big reshuffles" around 15 January, the fifth anniversary of the DJP's founding.

The NKDP is expected to make painful changes in restructuring its organization, in order to cope with the expected entry of opposition leader Kim

Yong-sam into the party and the en-masse departure of 12 lawmakers from the party on 31 December.

The joining of Kim Yong-sam, who co-chairs the Council for the Promotion of Democracy, is sure to bring about complicated changes in the NKDP's hierarchy. Kim and the other co-chairman, Kim Tae-chung, although not party members, are said to wield much influence over the NKDP.

Some party members are insisting that the opposition party hold a national convention to reorganize itself after Kim Yong-sam joins the NKDP.

Kim has expressed his intention to join the NKDP on [several] occasions, and his aides have said that he will become a party member in January.

The "two Kims" have exercised indirect but substantial influence over the NKDP since the party was founded in January last year.

To minimize the impact of the departure of the 12 NKDP lawmakers and to prevent other legislators from leaving the party, the NKDP will expedite the selection of leaders of district chapters that become vacant, the political sources said.

/9274

CSO: 4100/064

S. KOREA/POLITICS AND GOVERNMENT

NO TAE-U, YI MIN-U TO MEET AGAIN EARLY JANUARY

SK310142 Seoul THE KOREA HERALD in English 31 Dec 85 p 1

[Text] No Tae-u, chairman of the Democratic Justice Party, and Yi Min-u, president of the New Korea Democratic Party, are expected to meet early next month to discuss major outstanding political issues.

Discussions are likely to focus on negotiation [of] a political settlement of the ongoing probe into the so-called floor violence as well as the convening of a special National Assembly session.

No and Yi are also expected to resume negotiations on the naming of a special Constitution Committee.

DJP spokesman Sim Myong-po and NKDP Floor Leader Kim Tong-yong quoted the two party leaders yesterday as saying they will meet again in early January.

Yi Se-ki, floor leader of the ruling DJP, said he will actively seek dialogue with the opposition party next month to ensure a smooth operation of the envisaged special session.

He said Sunday's meeting of the leaders of the three major parties created a mood for more talks between rival parties.

The NKDP president said that he believes Sunday's meeting will assist in the operation of national politics.

Political observers predicted that the ruling and opposition parties will resume active dialogue at various channels in early January.

They said that political parties will be able to work out a package settlement of major political issues.

They added that the parties will reach an agreement on the convocation of a special session aimed at hearing a state-of-the-nation message from the government.

In the meantime, the leaders of the DJP, NKDP and Korea National Party met at the speaker's official residence Sunday to exchange views on key pending issues.

Also present were the floor leaders of the three parties.

Following the dinner meeting, the three party leaders moved to a restaurant to continue discussions on ways of breaking the political impasse.

After two rounds of meetings, they shared the view that it is not desirable to let the current political deadlock drag along any further.

They also agreed that they will meet again to resolve pending issues and operate national politics in a smooth manner.

They pledged to make common efforts to obtain an early negotiated settlement of the probe into the so-called floor violence.

Briefing reporters on the result of the meeting, Speaker Yi Chae-hyong said, "I think an atmosphere for smooth interparty dialogue has been created."

The speaker said he asked the leaders of the three parties to exercise concerted efforts to ensure a smooth operation of assembly politics in the new year.

Rep Choe Myong-hun, chief secretary to the speaker, said that the party leaders promised to meet as often as possible.

NKDP President Yi asked DJP Chairman No to try to help settle the investigation into the floor violence.

No said, "I expect that in time the issue will be resolved in a desirable way."

/9274

CSO: 4100/064

S. KOREA/POLITICS AND GOVERNMENT

NO TAE-U'S FIRST PRESS CONFERENCE REPORTED

Seoul CHUNGANG ILBO in Korean 17 Jul 85 p 2

[Text] Press Conference (Summary)

No Tae-woo, Chairman of the Democratic Justice Party [DJP], held his first press conference in 5 months since he assumed the present post, and expressed his views on various issues including his own perception of the political situation and the way to settle political problems. The following are the questions and answers exchanged between chairman No and the reporters:

"I wish I had something to tell the people to please them. I hope to overcome the difficult times and to often share my political views with you."

[Question] The situation has changed a lot since you assumed the chairmanship. What are your feelings?

[Answer] The changes these days are dizzying. It is not necessarily more difficult now than when I came to this office; however, it would have been better if the parties to the dialogue had been more engaging and relaxed. I endeavor to engage in incessant dialogue with the people lest any will of the people should be overlooked. These days, the people feel insecure. Because the opposition parties are changing rapidly to an almost perilous degree, I urge the ruling party to be accommodating, to breathe together with the people, and to deal with the people with humility, but without being too soft and weak. We read the minds of the people who want to see us withstand any hardship and be a guide.

[Question] As a result of the DJP's nonparticipation, the National Assembly is unable to have normal operations. What is your comment?

[Answer] As the speaker had lamented that he was half paralyzed, we, joined by the people, feel sorry about the condition. It is regrettable that the New Korea Democratic Party [NKDP] plans to go ahead alone and call the National Assembly into session by breaking off the dialogue suddenly. We experienced difficulty at the time of the opening of the 12th National Assembly due to the NKDP's noncooperation.

By preventing harm to the national image, we tried to work together for 43 days. Although it is regrettable, the road to dialogue should not be cut. Fortunately, the NKDP, which alone demanded the convening of the National Assembly session, keeps the road to dialogue open. Through the dialogue between the floor leaders, I believe that the next best solution will be found. I was afraid of the development of politics of noncommunication, but I expect that mutual negotiation and concession will be seen.

[Question] I expect that the question of a constitutional revision will be an important subject of debate in the political community. What is your view on this?

[Answer] We have changed our constitution eight times during the 37 years of history of our constitution. We cannot afford to repeat the limping or the tragedy. The importance of the present constitution, which is the product of the people's consensus, lies in the fact that it is designed to prevent one man from staying in power for a long term. Under any system, whether it be a presidential form of government, a parliamentary form of government, or the direct or indirect popular election of the president, the problem is the long-term domination of power by one man.

The reason that we are unable to change the present constitution is that before the next presidential election there are historic events coming up such as the 1986 games and the 1988 Olympic games. If we are to amend the constitution and elect a president through a direct popular election, enormous chaos and a great waste of national resources will result. Moreover, we must realize the long cherished wish of our people to have a peaceful transfer of power under the present constitution. Besides, through two general elections for the National Assembly, we publicly pledged to observe the 7-year, one-term presidency, and we must abide by the pledge. Even if we change our constitution to elect the president through a direct popular election, it will be difficult to achieve a national consensus. It cannot be done simply because it is convenient for a few politicians.

[Question] The question of pardon and the restoration of rights to Kim Dae-chung continues to obstruct the smooth operation of politics. What is your position on this?

[Answer] As I have already commented on several occasions, the effort of the person himself, the legal procedure, and the magnanimity of the man in power should all coincide; however, the crux of the problem at this time is Mr Kim himself. It is nonsensical if politicians were not responsible for the bloody crisis of 1980 which threatened the national survival. For Mr Kim, there is an irrevocable judgment of the Supreme Court.

If I were Mr Kim Dae-chung, I would frankly admit the mistake, be remorseful, and make a pledge to the people that I would not make a similar mistake again. If he takes such a step, there is a sufficient chance that all will be settled. After having violated law, his coming out and talking about politics, etc., would not go down too well with the people's common sense. Everybody should abide by the law.

[Question] Are you prepared to hold meetings like the one that you had with President Yi Min-u of the NKDP more often?

[Answer] Of course. Last time, we got together to widen the area of mutual understanding. I came out with an understanding of the position of the opposition, and so did he about our position. But, I feel sorry that President Yi is going through tough times. Why should it be so painful to get together? I am afraid that it might become difficult to have a dialogue. I sincerely hope that there is no suspicion if we said anything that we should not have said at the meeting.

[Question] It is said that as there are outsiders in the opposition there are outsiders in the ruling circle. What is your comment?

[Answer] For us, there are not outsiders in our political realm. Everybody in the government is an insider. I believe that you are referring to the military, but it is nonsense.

[Question] A little while ago, you strongly defended the constitution, but would it be sufficient to convince the people?

[Answer] What a party, which has won an election, advocates should be correct. If an opposition party conducted an election campaign under the banner of the direct popular election of the president and won the election, then the direct election system should be adopted. The election should be the instrument to decide the question that is inconclusive. As there has been the opinion that the part of the present constitution which has to do with the presidential election system needs to be amended, I have instructed people to study the matter, but so far a problem area has not been found.

[Question] For the amount of effort made by the DJP, it is not that popular. What do you think is the reason?

[Answer] In pursuit of stability, we are trying to persevere and overcome hardship and pain. This does not help in promoting popularity. I believe that there are some unhappy people since we can no longer rely on luck as we have so often done in the past. For instance, the value of the land you had bought suddenly jumps tenfold.

On top of it, our party cannot be popular when the salaries of the people are frozen. When I discussed this situation with the President, he responded: "I cannot make a concession on the point even if I am labeled as an unpopular president." President Chon's popularity, I am sure, will soar explosively when he completes his term and returns to being a private citizen. We must seek the people's consensus in guarding the basic policy of stability patiently.

[Question] The question of successor has been constantly raised. 1987 is approaching rather rapidly.

[Answer] I am sure both the ruling and opposition parties will have their respective candidates.

[Question] A good deal of problems in our society stems from distrust. I believe it is especially important to have trust in a leader.

[Answer] I should say that the responsibility of the politicians is great in this respect. Every one of them must review himself or herself in order to restore the trust and seek the way to practice it.

[Question] Reportedly, there is some intraparty friction in your party. Also it is said that there are some problems in the cooperative relationship between the party and the government.

[Answer] For any organization to grow, it is bound to be clamorous and noisy. By being so, it proves that it is alive. The clamor you are referring to should not be taken as discord but rather should be viewed as lively debates in progress. You are probably referring to the case of the police invasion of the campus without prior consultation with the party, but there is neither reason nor grounds for the party to be involved in that sort of problem.

12474/12795

CSO: 4107/241

S. KOREA/POLITICS AND GOVERNMENT

STUDENT-LEFTIST ORGANIZATION DETAILED

Seoul CHUNGANG ILBO in Korean 9 Sep 85 p 3

[Text] From the content of the indoctrination by the deputy section chief of the liaison office of North Korea's Workers Party when the spies Yang Tong-hwa and Kim Song-man received espionage training in Pyongyang and Eastern Europe, it appears that to the North Koreans the South Korean student movement has recently taken on a new look. It appears to them that after the Pusan American Cultural Center incident the movement has turned anti-American and is bringing about the unfolding of an anti-American mass revolution denouncing cold war logic as a fabrication, that its turn leftward has been intensifying since 1979 and, in particular, with the class of 82 (today's juniors and seniors) it has taken on the appearance of a class struggle armed with socialist ideology.

Furthermore, as for extending the student movement, they are actively promoting a joint struggle by workers and students under the impression that it is a workers movement.

Looking at it this way, it appears to them that in the future the movement will swell in strength both quantitatively and qualitatively and will unfold as a continuing struggle with organizational maturity and the ability to resist oppression.

Furthermore, there is a possibility that students whose consciousness has been raised will seize the leadership of student circles in universities throughout the nation and will link up through secret meetings of representatives from each university in the nation and will spread across the entire nation.

The North Koreans think that if the currently autonomous student movement continues, a communist revolution will be realized in South Korea within 10 years.

The tactics and strategy for the decisive moment in the South Korean revolution are to manufacture an opportunity for revolution like the opportunity presented by the death of Kim Chu-ryol on 19 April, and, recognizing that because of the population density of South Korea and because it has seas on three sides a guerrilla war is not suitable, the form the revolution will take will be that of an armed urban uprising with captured weapons. After Seoul is seized, they will seize important cities throughout

the nation with a number of simultaneous uprising and will set up a revolutionary government. When foreign forces, such as America or Japan, intervene, the People's Army will immediately go south to support them.

For a suitable organizational form and strategy for the South Korean revolution, they will infiltrate at least one illegal core member into front organizations such as the "Workers Welfare Society" and the "Chonggye-chon Workers Classroom," which are bodies struggling legally and semi-legally against the government and will guide them in line with the particular characteristics of each class. As the struggle unfolds, a decisive moment will take shape and it will be brought about in line with the level of the consciousness of the masses and the severity of repression to "from no struggle to a struggle" and "from a small struggle to a large struggle."

A look at the process by which spies such as Yang Tong-hwa and Kim Song-man are won over shows that they passed through five stages: rectifying of vision, studying individual subjects, arming ideologically, engaging in actual struggle, and linking up with North Korea.

The stage of rectifying vision, meaning cultural penetration, is the bringing about through intensive reading in books on social science the abandonment of cold war logic and the feudalistic order way of looking at things and the adoption instead of a social science way of looking at things. It is the learning through experience of alienation from Western European society's phenomenon and concrete problems.

The stage of studying individual subjects, as a way of guaranteeing ideological uniformity, brings about, through dependency theory and books on labor, a recognition that the division between the North and the South and the imbalance in wealth is caused by dependency on the United States.

The stage of arming ideologically, as the stage where blood-brother comrades are formed, implants through intensive reading of the works of Marx and Lenin confidence that capitalism will collapse and a communist society will definitely come and has them draw the conclusion that the only way to overcome the contradictions of Korean society is violent revolution.

The stage of actual struggle, as the process of cultivating the ability to be a revolutionary, has them through the collected works of Kim Il-song and through listening to North Korean broadcasts accept the chuche ideology and has them espouse an anti-imperialist and anti-Fascist democratic revolution and produce and distribute anti-American printed material.

Finally, they intended to have high school students whose consciousness had been raised enter the military academy and to nurture them as revolutionary forces within the military.

An analysis can find many points in common in the contents of "Dependency and the War Cry," put out by Kim Song-man in March, 1984, and "The Kwangju Masses Struggle in Light of the History of the Mass Movement," produced by Sammintu in May, 1985.

Both publications praised and dressed up communists as a force for national autonomy, the Cheju 3 April rebellion as a mass struggle to block the division of the nation, and the left-wing, as in the People's Republic, as the force succeeding to the mainstream in the nation.

Furthermore, their denunciation of the right wing as a clique of traitors to the nation, of anti-Communism as a scheme to dismember the nation, of America as an imperialist state and Korea as a marketplace for colonial economic plunder, and so on is the same as found in North Korean interpretations of the South Korean situation and in seditious material and is proof that North Korean agents have penetrated the halls of academia and are influencing the direction of the struggle by students in movement circles.

The authorities take as the most distinctive characteristic of this incident that the North Koreans have shifted into full-gear their anti-South Korean revolutionary maneuver of having leftist movement circle students take the initiative.

Up to now the North Koreans have stressed only maneuvers for circuitous infiltration through the Chochongnyon in Japan. However, this incident confirms that recently infiltration by North Koreans has spread to America and Europe and that they are utilizing as their bases of operations anti-government newspapers published overseas such as "Haewoe Hanminbo" in America and "Urinara" in West Germany.

What is particularly surprising is the fact that some of the most radical among leftist students whose consciousness has been raised go overseas on the pretext of studying overseas and, before the North Koreans tempt them, volunteer on their own to make contact with North Korean subversive organizations.

The North Koreans, more than just taking advantage of this phenomenon, have actively launched into maneuvers overseas. The North Korean operatives use the method of either having the students go to North Korea or receiving them in North Korean indoctrination sites in Hungary and East Germany, giving them a short course in espionage training, and, afterwards, having them sneak into the country.

After completing espionage training, they return to Korea and, using their university seniors and juniors, casually infiltrate academic institutions. Then, finally, taking the lead in the democratization movement, they spread leftist ideology on the campus.

In order to lessen rejection by students and intellectuals, they substitute the word masses for proletariat, the words democracy of the masses for socialism, and national liberation revolution for socialist revolution and they turn out subversive printed materials in great quantities, disguising them to look as if they were published by students in democratization movement circles.

In particular what attracts attention in this incident is that the average college student's understanding of North Korea is changing absurdly.

Up through the 1970's the student movement strongly rejected any ties with Communism or North Korea.

However, as leftist consciousness raising has spread, this understanding has undergone a qualitative change and in the 1980's most students in movement circles see North Korea as a force supporting national liberation and mass movements.

The authorities said that this confirmed that some students, despite knowing that these people are spies, nevertheless envy them as revolutionaries of noble character and want to study the theory of violent revolution from them and that such a change in consciousness has reached an extremely dangerous stage.

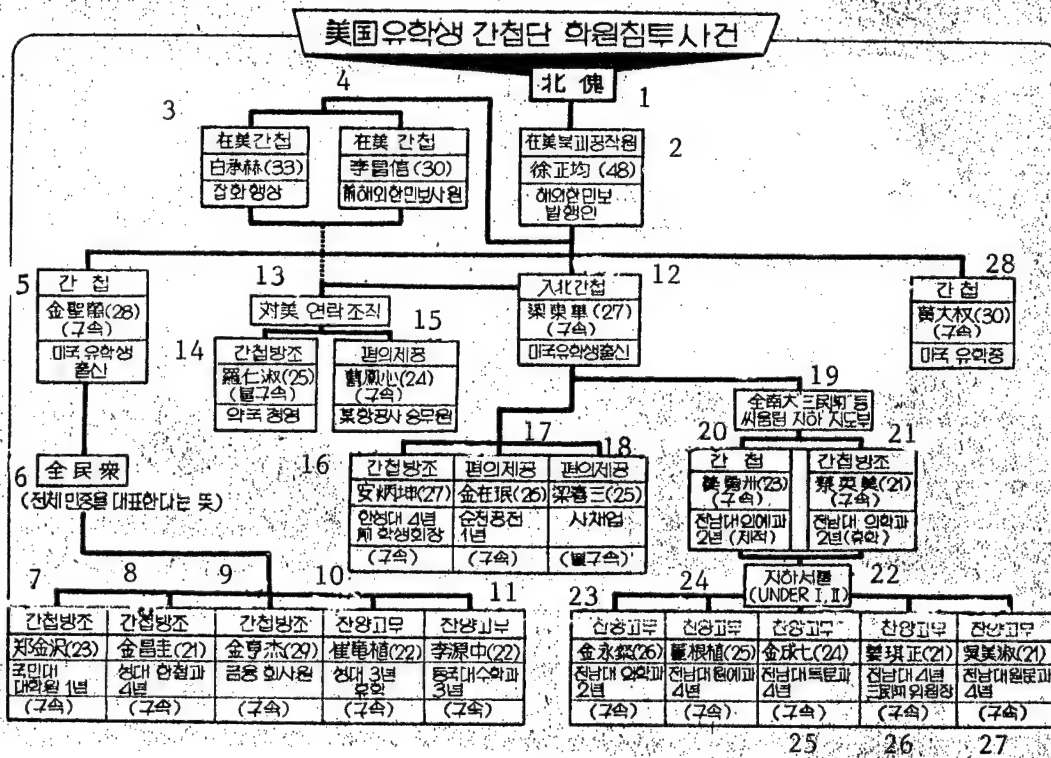


Diagram 1.

Infiltration into Academia of Espionage Ring of Korean Students in the US

1. North Korea
2. North Korean operative in the United States
So Chong-kyun (48)
Publisher of the Haewoe Hanminbo

3. North Korean agent in the United States
Paek Sung-hyok (33)
general merchandise salesman
4. North Korean agent in the United States
Yi Chang-sin (30)
former staff member of Haewoe Hanminbo
5. North Korean agent
Kim Song-man (28)
(under arrest)
former student in the United States
6. Chon Minjung
(Meaning to present the entire masses)
7. abetted espionage
Chong Kum-taek (23)
first year graduate student at Kukmin University
(under arrest)
8. abetted espionage
Kim Chong-kyu (21)
senior in the Korean Philosophy department at Sunggyunkwan University
(under arrest)
9. abetted espionage
Kim Hyong-kol (29)
employee of financial company
(under arrest)
10. praised and encouraged them
Choe Yong-sik (22)
junior at Songgyunkwan University (on leave)
(under arrest)
11. praised and encouraged them
Yi Won-chung (22)
junior in the mathematics department at Tongguk University
(under arrest)
12. agent who has been to North Korea
Yang Tong-hwa (27)
(under arrest)
former student in the United States
13. Organization for contact with the United States
14. abetted espionage
Na In-suk (25)
(not detained)
runs a drugstore

15. provided assistance
Cho Pong-sim (24)
(under arrest)
stewardess for a certain airline
16. abetted espionage
An Pyong-kon (27)
senior at Hansong University
former student body president
(under arrest)
17. provided assistance
Kim Chae-min (26)
freshman at Sunchon junior college
(under arrest)
18. provided assistance
Yang Chun-sam (25)
curb loan lender
(not detained)
19. Chonnam University Sammintu
underground headquarters for the fighting team
20. North Korean agent
Kang Yong-ju (23)
(under arrest)
sophomore in Chonnam University's premed program (expelled)
21. abetted espionage
Chae Yong-mi (21)
(under arrest)
sophomore at Chonnam University Medical School (on leave)
22. underground circles
Under I, II
23. praised and encouraged them
Kim Yong-chan (26)
sophomore at Chonnam University Medical School
(Under arrest)
24. praised and encouraged them
Tong Kun-sik (25)
senior in landscape architecture at Chonnam University
(under arrest)
25. praised and encouraged them
Kim Song-chil (24)
senior in the German literature department at Chonnam University
(under arrest)

26. praised and encouraged them
Kang Ki-chong (21)
senior at Chonnam University
chairman of Sammintu
(under arrest)
27. praised and encouraged them
O Mi-suk (21)
senior in the Japanese literature department at Chonnam University
(under arrest)
28. North Korean agent
Hwang Tae-kwon (30)
(under arrest)
student in the USA

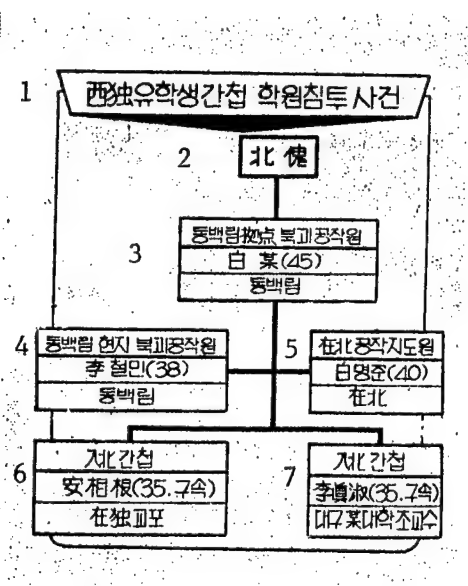


Diagram 2.

1. Infiltration of academia by espionage ring of Korean students in West Germany
2. North Korea
3. North Korean operative at East Berlin base
a certain Paek (45)
East Berlin
4. North Korean field operative in East Berlin
Yi Chol-min (38)
East Berlin

5. instructor of operatives in North Korea
Paek Myong-jun (40)
in North Korea
6. agent who visited North Korea
An Sang-kun (35. under arrest)
Korean resident of West Germany
7. agent who visited North Korea
Yi Chin-suk (35. under arrest)
assistant professor at a certain Taegu University

A comparison of the contents of "Dependency and War Cry" with that of "The Kwangju Mass Struggle in Light of the History of the Mass Movement."

"Dependency and War Cry"
(by North Korean agents)

"The Kwangju Mass Struggle in Light
of the History of the Mass Movement"
(by Sammintu)

Yi Sung-man, the Korea Democratic Party and others are anti-nationalist forces which feed on the cold war theories of America.

The Korea Democratic Party and other right-wingers are a clique of anti-nationalist traitors who are pro-Japanese and pro-American.

Anti-trusteeship was the road to dependency and the dismemberment of the nation. Pro-trusteeship was the autonomous unification of the nation.

Anti-trusteeship had the goal of setting up a conservative, counter-revolutionary anti-Communist road to government.

The April 3 struggle in Cheju was a mass struggle against the American military government in order to fight for unification.

The April 3 struggle in Cheju was a mass struggle hampering the division of the nation and opposing the pro-American anti-Communist regime.

June 25 was fight between the forces for national autonomy and the comprador forces dependent on the USA and foreign powers.

The left-wing Choson People's Army which carried out armed struggle against the Japanese inherited nationalistic orthodoxy.

Anti-Communism is the logic behind the suppression of national autonomy and the forces for reunification.

They suppress the mass struggle with anti-Communism.

The United States is our nation's enemy, not its ally.

The Yankees steal the blood of our masses.

A colonial dependent economy controlled by American monopoly capital....

An economy dominated by huge parasitical comprador conglomerates and by the monopoly capital of imperialism...

Nuclear arms are stored in Korea in order to defend American soil.

The USA is turning South Korea into a nuclear-war arena as an advance base for war against North Korea.

9953/12913

CSO: 4107/305

29 January 1986

S. KOREA/POLITICS AND GOVERNMENT

PROPOSED CAMPUS STABILIZATION LAW ANNOUNCED

Seoul TONGA ILBO in Korean 8 Aug 85 p 3

[Text] Draft Proposal (Full Text)

Article 1 (The Objective)

The purpose of this law is to enable schools to fulfill their basic mission by preventing or bringing campus unrest under control, through the promotion, stabilization, and autonomy of the schools, and by guiding the students involved in the disturbances to devote themselves to their studies.

Article 2 (Definition)

The definitions of the terminology used in this law are as follows:

1. "Campus unrest" refers to the situation where students obstruct the normal operations--instruction, research, and other activities--of the school, clearly disrupt the peace and order to the society, or threaten national security by disrupting campus order through such activities as violent assemblies, demonstrations on and off campus, the seizure or blockade of facilities, the use of explosives, and the collective boycott of classes.
2. "Schools" refer to various academic institutions including the normal university, the school of education, the radio correspondence college, the open university, the specialized colleges, and other similar schools.
3. "Students" mean those presently enrolled in the schools provided in paragraph 2.
4. "Student Organizations" mean the collective body of a large number of students which aims at attaining a common objective, and the organization or its federation, more than half of which should consist of students.

Article 3 (Voluntary Effort to Prevent and Control Campus Unrest)

1. All school faculty and staff members shall make voluntary and concerted efforts to prevent campus unrest from developing and to bring it under control.

2. In order to prevent campus unrest from developing and to bring it under control, the head of the school may, if necessary, form a consultative council, composed of the members of the faculty and staff of the school and the persons who are rich in knowledge and experience.

Article 4 (Guidance for the Student Organization)

1. The head of the school shall endeavor to guide the student organizations to develop into healthy bodies.

2. The head of the school shall not allow the student organizations to use the funds collected from the student members in accordance with school regulations or other related provisions if the organization leads or fosters campus disturbances.

3. The members of the student organization shall not receive money or any other donations, regardless of where they may be from, or engage in profit-making activities with intention of leading or fostering campus disturbances.

4. No one shall be allowed to provide money, facilities, and other conveniences to a student organization or its members with the intention to incite, foster, or support campus disturbances.

5. The head of the school shall order the dissolution of the following student organizations, shutdown the facilities they use, or take other necessary measures against them. In cases where such organizations are comprised of students from two or more schools, the minister of education shall issue the orders or take necessary measures.

A. Organizations established to lead or foster campus unrest;

B. Organizations found to have been repeatedly leading or fostering campus unrest;

C. Organizations which do not comply with the guidance and supervision aimed at preventing campus unrest.

Article 5 (Student Guidance Education Program)

1. In lieu of criminal prosecution, student guidance education may be provided to those students (including those who have lost student status; the same is true for the following) who violate this law, the Criminal Code provisions governing campus unrest, the law on violent acts, the law controlling firearms, knives, bayonets, and explosives, the law on assembly and demonstrations, and the National Security Law, and also those who are rehabilitable.

2. The prosecution shall be empowered to request, as provided in Article 7, the Student Guidance Education Commission (SGEC) to conduct guidance education for students who have violated the provision in the Paragraph 1 but whom the

prosecution determines should be given guidance education instead of criminal prosecution. In such cases, data that meet the conditions provided in the paragraph 1 must accompany.

3. In order to request guidance education, the prosecution is, if necessary, empowered to investigate the facts of the case and the reasons for the need for guidance education, or to have the judicial police (including the special judicial police) conduct the investigation.

4. The SGEC, when it receives a request by the prosecution in accordance with paragraph 2, shall determine, without delay, whether or not the students will be given guidance education, and the period of the education. The Commission shall then notify the minister of education, the prosecutor, the students, and the head of the schools of the students of the decision.

5. The minister of education, when notified by the commission, shall accommodate the students at a designated place for guidance education.

6. The minister of education shall establish a rehabilitation institute if he sees it necessary to provide guidance education.

Article 6 (Period and Types of Guidance Education)

1. The period shall be determined by the SGEC within the period of 6 months.

2. The SGEC shall shorten the period of education or suspend the program for students on the basis of the effect of the education and the degree of improvement.

3. The necessary provisions concerning guidance education are laid down by the presidential order.

4. Heads of schools shall not expel students who are either receiving or have completed guidance education on the grounds of their criminal acts. The prosecution shall not prosecute the case.

Article 7 (SGEC)

1. In order to examine and decide the following items concerning guidance education as provided by Article 5, the SGEC shall be established in the Ministry of Education (Hereafter it is referred to as the Commission).

A. Whether or not to conduct guidance education for students concerned and the length of the education period.

B. Shortening the length of, or suspending, guidance education.

C. Other important issues concerning guidance education.

2. The Commission shall consist of up to 11 members, including a chairman. It shall include at least three judicial officers or those who are qualified to be judicial officers, and at least three other members from among the ranks of college professors or associate professors.

3. Commission members shall be named by the minister of education from among the persons who have attained a high level of knowledge and rich experience. The chairman shall be elected from among the commission members, and he shall be a judicial officer or one who is qualified to be a judicial officer.

4. In deliberating the matters concerning guidance education, the Commission, if it is deemed necessary, shall be empowered to solicit opinions from the students involved, the heads of the schools of the students, parents, and other referees.

5. The decision, clerical, and other matters necessary to the operation of the commission shall be set by the presidential order.

Article 8 (Protective Entrustment)

1. For those students who requested guidance education in accordance with Paragraph 2, Article 5, the prosecution may request the court to put them on a protective entrustment at a designated place for no more than 15 days if it is seen necessary to decide on guidance education in accordance with Paragraph 5 of the same article.

2. When the court receives the request as provided by Paragraph 1, it must, without delay, decide whether or not protective entrustment is to be given.

3. Article 3 and Paragraphs 1 and 4 of Article 17 shall apply in the case of the protective entrustment as provided for in Paragraph 1.

Article 9 (Cooperation of Other Government Agencies)

1. In implementing guidance education as provided for in Article 5, the minister of education, if necessary, shall request assistance from other government agencies.

2. The government agencies requested, as provided for in Paragraph 1, must cooperate unless special reasons prevent them from doing so.

Article 10 (Penalties)

1. Those who knowingly commit the following acts that threaten the national security or are clearly harmful to the peace and order of the society shall be sentenced to no more than 7 years of imprisonment or be fined up to 7 million won.

A. Dissemination of or the indoctrination of the thought or ideology of an anti-state organization, or the making, printing, importing, duplicating,

possessing, transporting, distributing, selling, or obtaining of literature, documents, and other material containing the thought and ideology which may contribute to campus unrest.

B. The fabrication and spreading of groundless rumors which help incite or promote campus unrest.

2. Those who attempt to violate Paragraph 1 shall be punished.

3. Those who conspire to carry out the acts provided for in Paragraph 1, those who violate Paragraphs 3, and 4, Article 4, and those who refuse to comply with the order or measure provided in Paragraph 5, Article 4 shall face up to 5 years in prison or a maximum of 5 million won in fines.

4. Those who knowingly participate in the indoctrination provided for in Item 1, Paragraph 1 shall be sentenced to a maximum of 3 years of imprisonment, be fined up to 3 million won, or detained.

Article 11 (Term of Validity)

This law shall remain effective until 31 December 1988.

Appendix

1 (Effective date) This law shall go into force from x day, x month, x year.

2. (Post-expiration measure on the application of the penal provisions) For those who had violated the provisions of Article 10 prior to the expiration of the validity of this law, the same provisions shall apply even after the expiration of the validity of this law.

3. (Post expiration measure for the ongoing guidance education) For those who were chosen to receive guidance education in accordance with Paragraph 4, Article 5 before the expiration of the validity of this law, the education as provided by Paragraph 1 of same article shall be given even after the expiration of the validity of this law.

12474/12795

CSO: 4107/265

S. KOREA/POLITICS AND GOVERNMENT

SIGNIFICANCE OF CHON-YI CONFERENCE EXAMINED

Seoul TONGA ILBO in Korean 16 Aug 85 p 3

/Article by reporter Choe Kyu-chol: "The Atmosphere of Crisis Over the Campus Stabilization Bill Has Begun to Subside"/

/Text/ In the political confrontation which has been brewing between the ruling and opposition parties over the Campus Stabilization Bill, it appears that for the moment the crisis atmosphere of head-on confrontation has begun to subside with the meeting on August 15th between President Chon Tu-hwan and Yi Min-u, president of the New Korean Democratic Party.

A party appears possible because President Chon said in regard to the Campus Stabilization Bill that "there is still time" and "we can continue to redress inadequate points in the bill through a dialogue between the ruling and opposition parties."

Actually, what has attracted the greatest interest among politicians watching these talks carefully are the opinions of President Chon regarding the Campus Stabilization Bill.

Accordingly, the general response of politicians is to pay particular attention to "there is still time" and "dialogue between the ruling and opposition parties," explained as meaning there is still time before the government and the ruling party go through with their current plan to call a special session of the National Assembly in August and force through this bill.

From this point of view, it appears that, while wondering whether it might be possible for the moment to avoid a collision caused by forcible enactment of that bill during an August special session of the National Assembly, it can be argued that a turning point has been reached which may ease a little the stalemated political situation which now has been heating up every day.

Accordingly, the questions arises then of what will ultimately happen in the future with the Campus Stabilization Bill and actually there are conflicting answers to this.

First is the observation that might not take the time for the ruling and opposition parties to go over this bill actually postpone for quite a while pushing through the Campus Stabilization Bill.

This observation is based on the argument that it might be difficult to present and pass this bill in the regular session of the National Assembly in September if they fail to force it through during the special session in August.

If that bill is introduced in the September regular session, after the August special session, the question is whether the government and the ruling party will invite on themselves the political burden of risking confronting an unspeakable catastrophe at the regular session, which must deal with more important proposals such as the budget for next year.

Linked with this is the view that recalls that the turning point in postponing the implementation of the "anonymous bank account system" came at the critical juncture of "taking the time to look it over."

Contrary to this is the view that President Chon's intent is to have the ruling and opposition parties spend a little time talking in order to rectify any flaws in the bill as currently proposed by the government and the ruling party but absolutely not to postpone its implementation.

In this view, great importance is given in particular to the expression "rectify any flaws."

Taking only what was said at this meeting, the current status of the Campus Stabilization Bill is clearly not "withdrawn."

Accordingly, there are two ways of looking at the question of the passing of the Campus Stabilization Bill: either implementation will be delayed through a process of continual inquiry or after the ruling and opposition parties have gone through the formalities of bipartisan dialogue in order to rectify any flaws in the bill, it will be forced through.

However, with the critical point that No Tae-u, chairman of the Democratic Justice Party, said "the bill is not yet a finished product so the DJP will act on the bill in consultation with opposition parties," and with the New Korea Democratic Party fundamentally demanding the complete withdrawal of the Campus Stabilization Bill, with a stance of opposing it no matter how much it is rectified, as long as "bipartisan dialogue" is kept in mind there is a strong impression that there is still a small amount of time at the present for the Campus Stabilization Bill.

Furthermore, there are many of the opinion that what President Chon had to say about the Campus Stabilization Bill is to be seen as a trial balloon following NKDP president Yi's explanation of his opposition to the bill by saying "even if we wait until there has been sufficient discussion between the ruling and opposition parties and there has been a meeting of minds, it will not be too late."

At the very least, it appears that it should be noted that they are fairly close together in their views regarding timing.

Accordingly, what specifically will happen with the Campus Stabilization Bill will take more concrete shape through the meeting on the 16th between President Chon and Yi Man-sop, president of the Korean National Party, and the meeting that is scheduled for early next week for representatives of the three parties.

It is worth keeping in mind that President Chon's firmly making the dialogue between the government and the parties responsible for this issue is a sign that the government and the ruling party will not unilaterally force that bill through.

It is said that these talks, those today and those on 16 August with the Korea National Party president Yi Man-sop, were the idea of President Chon and not a suggestion by his staff.

Looking at it from this angle, at this point in time now with the political situation one of the ruling and opposition parties in very sharp confrontation with each other, the fact that these meetings were successful through the determination of President Chon means that a breakthrough through force in the political situation must be avoided in the end. It appears that this should be seen as an opportunity, in the future as well, to weight the direction of the management of the national administration.

Accordingly, in line with this special emphasis placed on dialogue between the ruling and opposition parties at the talks today, it is noted that the confrontation stance of the ruling and opposition such as exists today might change somehow.

In the final analysis, prospects are that whether or not the ruling and opposition parties will all change their stance will be revealed more concretely in the meeting of representatives of the three parties next week.

After the Chongwadae meeting with President Chon Tu-hwan, NKDP President Yi Min-u returned to party headquarters around 3:35 in the afternoon and though he said with a light expression, "I said frankly all I wanted to say," he looked a little concerned when he said, "however, there was nothing we agreed upon."

In response to the question, "please sum up the accomplishments of these talks in one word," President Yi said, equivocating, "it looks like something was accomplished and nothing was accomplished, so I do not know." Evaluating the results himself, he said, "if something was gained, then it is that in the future we can meet anytime to defuse a situation."

In regard to the issue of how to deal with the Campus Stabilization Bill, the issue on which he focused most of his attention at the Chongwadae meeting, while emphasizing that "if the bill passes, the political world

will become quite turbulent and be brought to a point of collapse, causing an unhappy situation for those concerned and for the entire nation," President Yi explained "no matter what happens, I will only stand in opposition to the Campus Stabilization Bill." Then he carefully forecast in regard to President Chon's response that "he said to try to have a dialogue with enough time to discuss the matter. This might be a way out of this situation."

President Yi said that there also was some discussion of restoration of political rights for three figures, of the issue of three-man talks with opposition figures, and of the issue of the Kwangju situation. He explained that the atmosphere was such that "it appears that the president is not inclined to three-man talks."

When the reporters' questions returned to the atmosphere of the talks, he explained, "President Chon stressed several times that 'this will be my only term as president since I am not greedy.' So I said I am over seventy and have no selfish interests and I am willing to make any sacrifice for the sake of democratization of the nation."

President Yi, avoiding saying anything concrete, said, "does not someone who has been the president of a nation have a lot to say" and explained further, "we ate Korean foods such as Mandu soup and had a few glasses of wine apiece. Afterwards I spoke first about the four items of the Campus Stabilization Bill, the revision of the constitution, the restoration of political rights, and the Kwangju situation and the talks took the form of the president responding to what I had to say, so it seems we each talked about half the time."

Only the issue of the people's livelihood, he explained, "was not discussed since there was not much time and if that subject had been brought up other subjects would have had to have been dropped."

After presiding over an expanded meeting of party officials, President Yi met the reporters again and pledged that "since there was no agreement on any issue at today's Chongwadae talks, we will go ahead and continue to push our already existing policy of blocking the Campus Stabilization Bill."

President Yi, however, reported that "President Chon instructed Chairman No of the DJP to ensure sufficient time for discussions with the opposition parties since there are many lawyers among them" and, catching his breath, he added "I think there is enough time for representatives of the three parties to come to a satisfactory agreement on the question of how to deal with the Campus Stabilization Bill."

In regard to the restoration of political rights for Kim Tae-chung and others, President Yi whispered to general secretary Yi Yong-hui, of the Kim Tae-chung camp, that "I do not know if this will disappoint him (Kim Tae-chung) or not but be cautious in making direct reference to that," making a special request of him with his eyes.

President Yi said that "we must treat someone in the President's chair with tolerance as broad as the ocean" and that he proposed a meeting with Kim Tae-chung and Kim Yong-sam and President Chon clearly showed his intention of opposing and rejecting that, saying, "do not talk of that issue of three-man talks anymore."

Asked about his impression of the president, President Yi reported, "I got his impression of an extremely good-natured man. Even when I spoke a little roughly, he did not show any displeasure in his face at all."

President Yi said in particular that President Chon has given him the impression of someone with a strong sense of responsibility by saying, "I only have about 2 years left in office and I could pass that time enjoying myself but since a president has certain responsibilities, that is out of the question," and Yi emphasized that that is the way it should be.

President Yi, however, stated frankly his feeling that "I do not know whether he received misinformation of the Kwangju incident or not but he does not seem to understand it." President Yi stressed that those people who feel victimized by the Kwangji incident and those people who pitifully had their lives snatched from them should receive spiritual and material compensation, that a facility should be built for them in which their spirits can be honored, that politically it should be taken care of once and not brought up for discussion again, and that in order to restore dignity to the citizens of Kwangji all talk of a violent uprising should stop.

It is reported that President Chon responded by saying that "I was a mere general when the Kwangji incident occurred. It happened when Choe Kyo-ha was president," that "I, too, served in Kwangju for 2 years and I felt that the citizens of Kwangju are hard-working and sincere and are a wonderful people. They are a wonderful people who have produced many artists and scholars," and by asking Chairman No Tae-u if the regional development association was not helping bereaved families, to which Chairman No replied, "yes, they are helping them."

9953/12276
CSO: 4107/291

S. KOREA/POLITICS AND GOVERNMENT

ROK'S CHON CALLS FOR ACHIEVING NATIONAL UNITY

SK310104 Seoul YONHAP in English 0002 GMT 31 Dec 85

[Text] Seoul, 31 Dec (OANA-YONHAP)--South Korean President Chon Tu-hwan said that the second half of the 1980's will be "crucial" to the launching of a new movement toward democracy, economic development and national unification.

In greeting the "Year of the Tiger," Chon urged the Korean people to be "unswervingly resolved" in achieving those goals through "full national unity."

"This coming period is expected to be a turbulent era characterized by an onslaught of domestic and external changes and challenges of great magnitude," Chon said in the new year message.

"The shortcut to transforming this period of transition into an epoch for taking off is to make apt and swift responses to changes, and to adopt an open and broad mind and a penetrating, long-range perspective on the present and the future," the president added.

Chon also said he would strive to make 1986 a "truly rewarding year" through love and trust and to mark a major milestone on the road to national development and unification.

On behalf of the government, Chon promised to continue in the new year to do his very best, with conviction and good faith, to ensure that Korea makes great progress in both the domestic and international arenas.

"In embarking today with new resolve on a new path toward progress, I wish all my bellow countrymen good health and happiness," he said.

The president expressed the hope that "all members of this global village will unite in brotherly love to build a decade of peace and cooperation."

/9274

CSO: 4100/064

S. KOREA/POLITICS AND GOVERNMENT

CHON CALLS FOR NATIONAL UNITY IN NEW YEAR MESSAGE

HK310831 Hong Kong AFP in English 0815 GMT 31 Dec 85

[Embargoed until 1500 GMT 31 Dec 85]

[Text] Seoul, 31 Dec (AFP)--South Korean President Chon To-hwan today urged his countrymen to make 1986 the start of an "era of love and trust" and a major milestone in the realization of national unification and development.

In his New Year's message he said that efforts in this direction were increasingly meaningful as the Korean people entered the second half of the 1980's, which would be "crucial" to the nation.

"This coming period is expected to be a turbulent era, characterized by a rush of domestic and external changes and challenges of great magnitude.

"Only if we set out with love and trust and proceed with creativity and cooperation, will we be able to successfully travel the uncharted path awaiting us," said Mr Chon.

"The shortcut to transforming this period of transition into an epoch during which we take off is to make apt and swift responses to change and to adopt an open and broad mind and a penetrating, long-ranged perspective on the present and the future.

"I urge everyone to reflect deeply on that point and be unswervingly resolved to endeavor, in complete national unity, to promote democracy, unification and advancement into the forefront of development."

/9274

CSO: 4100/064

S. KOREA/POLITICS AND GOVERNMENT

DOMESTIC POLITICAL SITUATION DISCUSSED

Chon-Yi Meeting

Seoul TONGA ILBO in Korean 15 Aug 85 p 1

[Text] On 15 August, President Chon invited Yi Min-u, president of the New Korea Democratic Party [NKDP], to the Blue House where they exchanged views on the question of the enactment of the campus stabilization law and other wide-ranging subjects of recent periods.

This meeting was held over lunch, and No Tae-u, Chairman of the Democratic Justice Party (DJP), was also present. As it is speculated that this meeting could become an occasion to easing the tense confrontational relationship between the ruling and opposition parties, especially caused by such questions as the campus stabilization bill, the attention of the political community has been focused on this meeting.

Political sources speculate that frank opinions will have been exchanged at this meeting on important, wide-ranging issues on politics and administration, including the question of the campus stabilization bill.

Sources speculate that "the questions taken up at this meeting will likely become specific after further negotiations at the meeting of the leaders of three parties, which is scheduled for around August 19th, following the meeting of President Chon and Yi Man-sop, President of the Korean National Party [KNP], which is scheduled for August 16th."

Many speculate that the present confrontational situation between the ruling and opposition parties will peak the crisis in some manner through the relay meetings between President Chon and two presidents of the opposition parties and the meeting of the leaders of the three parties.

According to his close associates, President Yi of the NKDP has probably proposed to find a solution to the campus problem by enforcing or supplementing the existing law, rather than by contemplating to enact the campus stabilization law.

Further, President Yi's close associates said that there was a strong possibility that President Yi has proposed the items that the NKDP had demanded

all along: they include a constitutional amendment for the direct popular election of the president; a presentation of a time-table for "democratization"; the granting a pardon and the restoration of rights to Kim Tae-chung and others; and a three-man meeting between President Chon, Kim Tae-chung, and Kim Yong-sam.

The meeting of the day between President Chon and President Yi was realized by President Chon's invitation of President Yi to the luncheon in response to the latter's official letter of last August 12th to the President, requesting a two-man meeting.

President Chon's luncheon invitation to President Yi of the NKDP will be followed by the former's luncheon invitation to President Yi of the KNP on the 16th. No, chairman of the DJP, will also join the meeting.

Blue House spokesman Hwang Pil-son announced on the 14th that President Chon will hold relay meetings with two opposition party presidents; No, chairman of the DJP, notified the opposition party presidents at the three-party leaders' meeting to that effect.

Unification Minister Warns Students

Seoul TONGA ILBO in Korean 15 Aug 85 p 1

[Text] On August 15th, Pak Tong-chin, Minister of National Unification, directed his remarks to the radical talk of unification by a group of young people and said: "It is an extremely dangerous idea. With firm faith in liberal democracy, we must strictly guard against such an idea."

At the symposium for the "Unification of the Korean people and the North-South Exchange," sponsored by the Chamber of Korean Youth, held in the international conference room in the annex on the 63rd floor of the Taehan Life Insurance Building, located in the Yoido, on the occasion of the 40th anniversary of the Korean independence, Minister Pak said in his speech that "lately, some young intellectuals talk about a radical theory of unification on the basis of the so-called 'theory of subservience,' which is tantamount to turning their backs on the free world, and there are others who advocate 'unification at any cost' by believing that every thing will be solved if North and South Korea could unite into one regardless of the future system of the government."

Minister Pak continued to state that "what is most desirable as an interim process for unification is to refrain mutually from meddling in each other's internal politics and to develop a measure to guarantee institutionally a peaceful coexistence for a while." He went on: "It would be not only realistically difficult for North and South Korea, which have maintained mutually incompatible ideologies and systems for the past 40 years to solve the problems in one stroke, but also it could bring about chaos and unrest in both North and South Korea, instead of bringing them any closer to unification."

Minister Pak added: "For a successful North-South dialogue, the cooperation of all people and all parties, transcending partisan interest on the foundation of political and social stability, is absolutely required."

Tripartite Talks

Seoul TONGA ILBO in Korean 15 Aug 85 p 1

[Text] At the meeting of the leaders of the three parties, held on the afternoon of the 14th, arranged by Yi Chae-yong, Speaker of the National Assembly, No Tae-u, chairman of the Democratic Justice Party [DJP], Yi Min-u, president of the New Democratic Korea Party [NKDP], and Yi Man-sop, president of the Korea National Party [KNP] shared the view that the extreme confrontation between the ruling and opposition parties was undesirable, and agreed to hold a meeting of the leaders of the three parties on or around 19 August to ease the political tension through continuous dialogue.

As it was reported that the leaders of the three parties agreed not to proceed to call an extraordinary session of the National Assembly until after the second round of meetings between the leaders, the National Assembly is not expected to be convened before August 22nd.

Following the day's meeting of the leaders of the three parties, Speaker Yi said: "The leaders of the three parties shared the view that it would be undesirable to continue the present state of extreme confrontation, and all expressed regret that they came to hold a dialogue only after it had been reported both in the country and abroad as if the enactment of the law was fait accompli."

He went on to announce that the party leaders shared the same view that since they got together belatedly to hold a dialogue, they should continue the dialogue to bring about an improvement in the deadlocked situation.

Speaker Yi said: "The leaders of the three parties shared the view that an atmosphere of learning should prevail in the schools, and although there were differences of opinion, they agreed on the urgency of developing a measure to deal with the infiltration of the pro-communist elements in the campuses."

At the meeting, No, the chairman of the DJP, stated: "The campus stabilization law is to be enacted not for the interest of the government, but for the interest of the national security. The purpose of the law is to rehabilitate students with problems without blanketly applying the national security law, and to provide guidance to those completely indoctrinated students by separating them from those students who are not."

President Yi of the NKDP remarked that he "does not understand the rationale as to why the government is trying to disrupt the political atmosphere by enacting a new law when the existing law is sufficient to deal with the situation." He questioned: "How can it be construed to be guidance education when the penalty for spreading rumors, which is presently set at a maximum of 29 days of detention, is stiffened to a maximum of 7 years of imprisonment, and when the measure of isolating the students is also implemented?" He went on to ask if the ruling party was willing to withdraw its intention of enacting the law.

President Yi of the KNP said: "To ease the stiffened political atmosphere as a result of the controversy surrounding the enactment of the campus stabilization law, there must be a sufficient degree of dialogue between the ruling and opposition parties." He went on to propose that "to deal with the question of enacting the campus stabilization law, a bipartisan 'special committee on campus policy' should be established in the National Assembly."

As the follow-up meeting of the representatives of the three parties is scheduled for next week, it will be difficult, for all practical purposes, for the DJP to call the 127th extraordinary session of the National Assembly around August 22nd, as had originally been planned, and even if the DJP forcibly calls it, it would come somewhat later than scheduled.

12474/12379
CSO: 4107/284

S. KOREA/POLITICS AND GOVERNMENT

YONHAP CITES THREE PARTY LEADERS' NEW YEAR MESSAGES

SK310204 Seoul YONHAP in English 0124 GMT 31 Dec 85

[Text] Seoul, 31 Dec (OANA-YONHAP)--No Tae-u, chairman of South Korea's ruling Democratic Justice Party, said Wednesday that 1986 will be an important year in Korean history because it will involve preparations for 1988, when Korea will gain a momentum for national development. The coming year is also important as President Chon Tu-hwan will begin the second half of his presidential term.

In a new year message, No said that Korea will be the focus of world attention in 1986, when it is scheduled to host the Asian Games. The ASIAD will be decisive to the success of the 1988 Seoul Olympics, he added.

In another new year message, Yi Min-u, president of the leading opposition New Korea Democratic Party, said that 1986, which marks the start of the latter half of the decade, will be an important juncture determining Korea's fate politically, economically and socially.

Yi said that Korea has become an industrialized society over the past 25 years, but that democracy must be achieved in order to promote the continuous development and maturity of the Korean society. "Therefore, I and my party will further strengthen the struggle for democracy in the new year, in order to protect and develop the nation's achievements," he said.

Yi Man-sop, president of the minor opposition Korea National Party, said in a new year message that Korea, which greets the new year amid political confusion, economic setbacks, and social unrest, needs more urgently than anything else the efforts of politicians to normalize the political situation.

In 1986, he continued, a detailed political timetable for democratization should be driven forth.

/9274

CSO: 4100/064

S. KOREA/POLITICS AND GOVERNMENT

ROK DAILY STRESSES POLITICS THROUGH DIALOGUE AMONG PARTIES

SK310137 Seoul THE KOREA TIMES in English 31 Dec 85 p 4

["Hope for Political Thaw"]

[Text] At the close of the outgoing year, it is ardently hoped that the national politics will find a breakthrough at the outset of the incoming year, with regard to major pending issues between the rival political camps.

From this outlook, significance is attached to the year-end gathering held Sunday among the leaders of the three major political parties, together with their floor leaders, at the official residence of the National Assembly Speaker Yi Chae-hyong.

In consideration of the nature of this seasonal get-together, the ruling and opposition party leaders were hardly expected to "talk business" about outstanding political issues of national concern.

Nevertheless, the meeting was noteworthy in that it was the first of its kind participated in by partisan leaders since the political impasse in the wake of the unilateral passage of the 1986 national budget bill by the ruling party at the parliament earlier this month.

It is reminisced that more than half of the 90-day regular assembly session this year had been wasted in the partisan squabbles, rather than having been spent on deliberating the budget program and other pressing bills on the legislative floor.

This means that the legislators, regardless of their partisan affiliations, failed to positively respond to the public wishes for productive parliamentary politics, based on sound sociopolitical stability and serving the interests of the people who are facing prolonged economic hardships.

It was under such circumstances that the main political issue has been centered primarily around problems related to a constitutional amendment for the direct presidential election, a question raised by the opposition camp.

The opposition politicians appeared to have determined to wage this specific political drive against the ruling camp in what they said was an essential

means to faithfully respond to the voters in the general elections of last February, in which they had managed to gain a strong popular support.

On the other hand, the ruling party politicians are resolved to block the opposition offensive, being firmly convinced of their political stand as the government party members.

As the new year begins, however, the rival politicians are once again urged to do away with any such extreme partisan confrontation and to make mutual concessions from the respective stands, so that a political thaw may be brought about before it is too late.

The politics through dialogue between the rival politicians alone will help create a productive climate in politics.

/9274

CSO: 4100/064

S. KOREA/POLITICS AND GOVERNMENT

POST-ELECTION NKDP MEMBERS DEMAND CHAIRMANSHIP OF LOCAL CHAPTER

SK280025 Seoul THE KOREA TIMES in English 28 Dec 85 p 4

[From the column "Press Pocket"]

[Text] The main opposition New Korea Democratic Party are beset with troubles from within and without the party in recent days.

Aside from the criminal investigation of its lawmakers and their aides, party leaders are under pressure of some 30 lawmakers who entered the party after the 12 February elections to give them the chairmanship of local chapters. They threaten to leave the party.

Representatives of the 30 lawmakers who moved into the party after being elected with other parties tickets, visited party President Yi Min-u, Kim Yong-sam and Kim Tae-chung in turn yesterday to demand their appointment as heads of local chapters where they had defeated NDP nominees.

They conveyed a resolution to Yi that they will form a new floor negotiating group after breaking away from the party unless the party appoints them as heads of the chapters within this year.

Yi told the representatives, "I totally agree in giving top priority to incumbent lawmakers in selecting local chapters' chairmen."

"However, I hope that you will understand the current difficult intra-party situation. The party plans to name some of you as chairmen of the chapters within this year, and others next year," he said.

The representatives are Ko Chae-chung, Hwang Nak-chu, Yim Chon-ki, Pak Il and Pak Hae-chung, who defected to the NDP from the Democratic Korea Party, which was the first opposition party before the 12 February election.

/9274

CSO: 4100/064

S. KOREA/POLITICS AND GOVERNMENT

NKDP IMPOSES 2-YEAR MEMBERSHIP SUSPENSION ON 2 MEMBERS

SK280013 Seoul THE KOREA TIMES in English 28 Dec 85 p 1

[Text] The Executive Council of the major opposition New Korea Democratic Party yesterday imposed a two-year party membership suspension on Reps Cho Yun-ha and Kim Ok-son for their having run for the assembly vice speaker-ship in defiance of a party decision.

Rep Chon won the election and took the office Monday.

Another rebellious candidate for the assembly post, Rep Pak Hae-chung, was given a reprimand by the council as was decided by the Disciplinary Committee of the NDP earlier.

The punitive action by the top decision-making body of the NDP against Cho and Kim awaits final endorsement by the majority of the NDP lawmakers in a caucus which is likely to be held early next year.

The Disciplinary Committee had recommended that both Cho and Miss Kim be expelled from the party "for damaging party interests."

Cho and Miss Kim will be deprived of all kinds of duties and rights as NDP members, if the punitive decision is approved in the caucus. Party officials said that the two lawmakers will be dismissed as the chiefs of local chapters.

In the Executive Council meeting, the members made the decision in a 20:1 vote with one abstention. Rep Sin Do-hwan cast the [word indistinct] vote and Rep Kim Su-han abstained, it was learned.

Of the 30 council members, Reps Kim Chae-kwang, Yi Taek-ton, and Hwang Nak-chu did not show up at the meeting, while Reps Song Won-yong, Kim Yong-tae and Yu Chol-sung walked out shortly before the voting.

Reps Cho and Kim who are also members of the council were not given the right to vote.

The three NDP senior lawmakers ran for the assembly post in defiance of the party decision to support Rep Yi Yong-hui in an election on 28 October.

/9274
CSO: 4100/064

S. KOREA/POLITICS AND GOVERNMENT

PROSECUTION SENDS SUMMONSES TO 17 NKDP LAWMAKERS

SK280001 Seoul THE KOREA HERALD in English 28 Dec 85 p 8

[Text] The prosecution yesterday sent summonses to 17 New Korea Democratic Party (NKDP) legislators in an effort to begin a full-scale investigation into the recent violence in the National Assembly Hall.

The prosecution move came after the Seoul Metropolitan Police referred the case of the 17 opposition party lawmakers to the Seoul District Prosecutor's Office earlier in the day.

In the summonses sent to the lawmakers by registered mail, the prosecution asked them to appear at the office by 10 a.m., Monday.

The 17 parliamentarians include Reps No Sung-hwan, vice party president, Yi Taek-hui, chief policy planner and Kim Hyong-nae and Yu Chun-sang, both vice floor leaders.

Prosecutors earlier said they will send another set of summonses to the lawmakers some time early next month, possibly on 4 January, if they continue to defy the summonses.

Eleven out of the 17 members of parliament had ignored summonses sent to them three times by the police between 19 and 23 December. The 11 persons were booked last week, while the other six were booked Wednesday.

In addition to the 17 lawmakers, 11 other members of the opposition party were booked for allegedly committing violent acts in the National Assembly Hall between 30 November and 2 December.

The alleged violence took place before and after the ruling Democratic Justice Party unilaterally passed the 1986 budget bill early in the morning of 2 December in the absence of the opposition party legislators.

Prosecutors were questioning the 11 opposition party members after taking over the case from the police Thursday morning. Seven of them are aides to the NKDP lawmakers and four others are plain party members without any portfolio.

Prosecutors said they plan to soon indict at least three of the opposition party members on charges of violating the law governing violent acts.

They added they will decide on whether or not to file formal charges against the remaining eight persons, depending on the outcome of the on-going probe into the case.

/9274

CSO: 4100/064

S. KOREA/POLITICS AND GOVERNMENT

PARTY LEADERS SEEK MEETING TO SETTLE ASSEMBLY VIOLENCE ISSUE

SK280007 Seoul THE KOREA HERALD in English 28 Dec 85 p 1

[Text] The leaders of the three major parties are likely to meet next week in a bid to negotiate a "political" settlement of the investigation into the so-called floor violence.

A source of the Democratic Justice Party said yesterday that rival parties might seek high-level negotiations to settle the issue by political means when the ongoing probe is completed.

The source said, however, that political negotiations could hardly be considered before the investigations are finished.

He said that political negotiations might include a meeting of the leaders of the three parties.

A mood for such a meeting arose Thursday when National Assembly Speaker Yi Chae-hyong pledged to make efforts to obtain a political settlement of the issue.

The speaker expressed a strong wish that the issue would be resolved before Tuesday, so that the nation's political arena might recover its bright atmosphere.

Meanwhile, Yi Min-u, president of the New Korea Democratic Party, said yesterday that he would meet with his DJP Chairman No Tae-u, if the proposed to meet him. [as received]

/9274

CSO: 4100/064

S. KOREA/POLITICS AND GOVERNMENT

BRIEFS

INVESTIGATORS CHARGED WITH TORTURE--The Korea Federal Bar Association yesterday brought a charge with the prosecution against eight police investigators, accusing them of having tortured dissident Kim Kun-tae now on trial for his alleged communist activities. In a letter of accusation submitted to the Prosecutor General's Office, the bar association contended that it was confirmed that Kim had suffered torture by the eight investigators of the anti-communist section of the National Police Headquarters. "The alleged torture, according to Kim's testimony, was conducted in a secret investigation room in Namyong-dong, central Seoul, on more than 10 occasions between 4 and 26 September," the letter claimed. Kim, former chairman of the Youth Alliance for Democratization Movement, was arrested and indicted on suspicion of having indoctrinated student activists with communist revolutionary strategies, violating the National Security Law. [Text] [Seoul THE KOREA TIMES in English 31 Dec 85 p 8 SK] /9274

RIVAL PARTIES' RECONCILIATION URGED--Seoul, 31 Dec (OANA-YONHAP)--Yi Chae-hyong, speaker of South Korea's National Assembly, Tuesday urged the ruling and opposition political parties to reconcile their differences in the new year. "The ruling and opposition parties should realize that their relationship is one of partners whose ideals and policies differ, rather than creating a catastrophe by driving themselves toward antagonism," Yi said in a new year message. He pointed out that the National Assembly achieved nothing to be proud of in the past year and stressed that the assembly's activities could be carried out more amicably and smoothly if the rival politicians displayed reason, tolerance and modesty in their negotiations. In view of the domestic and international difficulties facing Korea, he said, the politicians should try to serve the national interests. [Text] [Seoul YONHAP in English 0149 GMT 31 Dec 85 SK] /9274

CSO: 4100/064

S. KOREA/ECONOMY

BUDGET FOR 1986 PLANS 10.2 PERCENT INCREASE

Seoul CHUNGANG ILBO in Korean 27 Sep 85 p 1

[Text] Government delineated and decided to submit a total budget of 13,815.3 billion won for the fiscal year 1986 to a regular session of the National Assembly.

The new year's draft exceeds this year's principal budget of 12,275.1 billion won by 12.5 percent or 1,540.2 billion won, and is 10.2 percent increase or 1,282.9 billion won over the budget that includes the revised supplementary budget.

According to the Economic Planning Board's announcement on the 27th, the government expects the domestic economy for 1986 to show the GNP growth rate of no more than 5.5-6 percent level due to worsening of foreign conditions and depression of private investment, and thus plans to raise the economic growth rate to a 7 percent level by reviving such financial functions to support businesses as expansion of public investment and strengthening of aid for the declining areas as well as the low-income bracket.

Accordingly, the estimated expenditures for next year were drawn up with emphasis on local finance aid and social as well as economic development, appropriating 1,291.9 billion won for local finance grants (28.2 percent increase from this year's), 944.9 billion won for social development expense (15.6 percent increase), and 2,386.9 billion won for economic development expense (14.7 percent increase) excluding grain and fertilizer accounts.

Of relative importance in view of the budget are the national defense expenditure of 4,309 billion won (12.6 percent increase) and the education expenditure of 2,767.9 billion won (11.1 percent increase), which somewhat topped the 10.2 percent rate of increase for the entire budget. Accordingly, the proportion of defense expenses in GNP is somewhat increased to 5.53 percent from 5.5 percent of 1985.

As the public peace issue grows in importance because of increases in student demonstrations, labor-management disputes and the like, the entire judicial and police budget also increased by 11.7 percent to 787.5 billion won.

Aid for special funds accounts is to be cut from 380 billion won in 1985 to 170 billion won in 1986, and shortages of funds for public finance business resulting from reductions are to be filled with 390 billion won to be borrowed from civil service pension, postal savings, postal insurance, etc.

Because of the decreased aid in funds for general accounts and in special accounts as well as the increased borrowing from the postal savings and the like, the combined financial standing will show a large deficit increase to 831.4 billion won in 1986 from 156 billion won in 1985.

The individual tax burden is expected to be heavier since the ratio of direct tax to indirect tax, 36.5 to 63.5 in 1985, will rise steeply to 38.4 to 61.6 in 1986.

But the Economic Planning Board made it clear that the rate of overall tax burden will be maintained at the same 19.3 percent level of 1985.

Estimated revenues for next year assume a growth rate of 7 percent, a GNP price of 3 percent and an exchange rate of 9 percent.

Estimated Revenues	Unit=Billion Won		
	1985	1986(Draft)	Increase/Decrease(%)
National Tax	11,820.0	13,212.3	1,392.3 (11.8)
Domestic Tax	7,365.7	8,134.1	768.4 (10.4)
Customs Duties	1,686.9	1,902.3	215.4 (12.8)
Defense Tax	1,636.3	1,857.7	221.4 (13.5)
Education Tax	302.1	334.2	32.1 (10.6)
Profits of Monopoly Enterprise	829.0	984.0	155.0 (18.7)
Nontax Revenue	455.2	506.2	51.0 (11.2)
Balance Carried Forward	257.2	96.8	-160.4 (-62.3)
Total	12,532.4	13,815.3	1,282.9 (10.2)

Not a Promising Outlook, But 7 Percent Growth Possible

Interview With Deputy Prime Minister Shin

"The new year's budget is significant in that it reinforces a poor economic growth that is expected next year," said Shin Byong-hyon, the Deputy Prime Minister and the Minister of the Economic Planning Board, in a news conference on 27 September following the announcement of the new year's budget draft.

He explained that although the prospect of next year's world economy is in fact bleak, a 6 percent growth is foreseeable without difficulty as, since March this year, we have been strengthening the latent exporting power and competitive power through all kinds of measures designed to stimulate investment, and that a 7 percent growth is possible by raising the growth rate an additional 1 percent through revival of the budget's function to stimulate businesses.

13095/12795
CSO: 4107/012

S. KOREA/ECONOMY

ROK TO SEEK 'STABILITY-FIRST' ECONOMIC POLICY IN 1986

SK310206 Seoul YONHAP in English 0110 GMT 31 Dec 85

[Text] Seoul, Dec 31 (OANA-YONHAP)--Sin Pyong-hyon, Korean deputy prime minister and economic planning minister, said Tuesday that Korea, sparked by the government's stimulatory measures, will easily achieve its 1986 target of 7 percent economic growth.

With 7 percent growth in the last quarter of this year, Korea's gross national product (GNP) has reached 5 percent this year, Sin told reporters here.

Korea is expected to achieve its 1985 readjusted export target of 30 billion U.S. dollars, considering increases of more than 23.9 percent in November and December from the same months last year, Sin said.

At a year-end press conference, Sin said that the government will emphasize its "stability-first" economic policy, in order to promote the sound growth of the Korean economy.

The government will also try to reduce the nation's external debt, which totaled 47 billion dollars at the end of November, he added.

The deputy prime minister said that the government will raise customs duties on crude oil imports if international prices drop slightly.

Under the 1986 budgetary plan, tariff rates will be boosted from 1 percent to 3 percent, he added.

The fiscal program and the economic management plan, both formulated by the Economic Planning Board, project a decline of one or two U.S. dollars per barrel in the price of international crude oil next year.

/12858

CSO: 4100/66

S. KOREA/SCIENCE AND TECHNOLOGY

SAMSUNG PROMOTES ARTIFICIAL INTELLIGENCE ENGINEERING

Seoul CHONGBO SANOP No 7, Jul 85 pp 30-31

[Interview with Chon Sang-ho, president, Samsung Data Systems, Ltd; date and place not specified]

[Text] [Question] "Please introduce to us the motive for founding Samsung Data Systems Ltd. and its present organization and staffing situation."

[Answer] "Over the past 10-odd years Samsung has been steadily advancing, step by step, in its work in the field of basic hardware for the information industry. Specifically, we began with semiconductor work back in 1974 and steadily accumulated technology under difficult conditions, with the result that we developed the 64K DRAM [dynamic random-access memory] in 1983 and last year successfully developed the 256K DRAM. Now we are up against the 1 mega-DRAM. Moreover, we began our computer work 2 years after starting semiconductor work, in 1976. In order to accumulate technology in the early period, we brought in and distributed foreign computers, learning the applied technology.

"Using the technology and understanding of computer work that we accumulated in this way as a base, we developed terminals, personal computers, and micro-computers, distributing them domestically, of course, as well as making them a major export product, and through the domestic manufacture of minicomputers and supply of large scale computers, we built a base for independent computer development. We first got into information equipment work in 1977, domestically manufacturing large scale digital telephone exchanges and developing our own models of communication terminals, going on to move into the most advanced telecommunications technology fields, such as optical telecommunications systems. As we were doing this, in the course of developing overall computer and telecommunications systems from basic elements--semiconductors--we found that we were short of manpower for developing the massive amounts of software needed in each area of work, and also that there were shortages of expertise, of course, and inadequacies in development work in the area of general systems.

"Meanwhile, looking at trends in the development of the world information industry, in the hardware field prices drop suddenly due to rapid technological innovation and large scale production, while by contrast in the software field the rate of development of production technology can't keep up with technological innovation in hardware, resulting in continuous increases in manpower costs,

of course, and a steady increase in the weight of the economic burden that goes with an increasing demand for software. From the standpoint of market size, in an advanced country like the United States, the market for software has already become larger than the hardware market, and with a high growth rate as well the gap will become wider as time passes. Accordingly, in order to make Samsung Data System's work efficient and to prepare for the coming information society, we have decided to establish a company that specializes in software and systems work and that shifts the emphasis in work to software. At present, in terms of structure we have a systems division that provides assistance to group hardware work and has responsibility for foreign systems work; we have a facilities management (FM) division that is in charge of management of computer facilities for group-related companies; and we have a general software research institute and a planning and management division. In terms of manpower, as of June we have 60 high level staff members, and we plan to have 200 by the end of 1985 and more than 1,000 by 1989."

[Question] "Please tell us what plans you have for technology cooperation with foreign countries, and what the basic projects will be."

[Answer] "In order to get over the ever-higher technological walls of the various advanced countries, which are leading the coming high-level information society, and to strongly go out into the overseas information industry market, our company is putting all the software resources of the group on a war-like footing, and we are planning a massive investment in advanced software technology development, to say nothing of the field of basic software technology. As for large scale project management, systems development technology, and large scale high-capability software package development technology and the like, which are hard to secure ourselves given the level of domestic technology, it is our plan to secure the necessary technology through aggressive technological cooperation with advanced overseas enterprises."

"As for lines of technological cooperation, we already have close contacts with strong U.S. and Japanese companies in various fields. We are opening up work on such projects as large systems project development (turn-key projects), package development work for high capability engineering use and general use, remote processing and data base projects using value-added networks, systems development consulting, and educational work in high level computer application technology. And, we are actively participating in new software projects, such as shareware and contract research."

[Question] "Please tell us about plans for your most significant future projects."

[Answer] "As a strategy for building a base for the advance into overseas markets, with their limitless potential, and for invigorating the domestic information industry, our company is emphasizing promotion of large scale project development work and database work using value added networks. As a strategy for advancing into overseas markets, we plan first to go forward with high capability software package projects, contract programming work, and integrated systems projects for developing countries."

"Meanwhile, as a long term goal, we are planning an integrated research investment for such projects as going into overseas markets with advanced technological products such as artificial intelligence, and overseas sales of engineering products using the applied technological capacity of high grade computers."

[Question] "Sir, what do you see as the best plan for invigoration of the software industry and the promotion of its growth?"

[Answer] "From the standpoint of our country's conditions, the software industry is the most internationally competitive and promising industry; however, the fact is that market formation is so poorly developed that it is awkward to speak of an industry. In order to invigorate this software industry, the government at its level should establish markets, spread software technology development at government sponsored research centers, effectively promote an information industry growth law, amend and augment telecommunications laws and regulations, and take other institutional measures. Together with such steps, the government needs to actively depend on private sector companies in the development of public systems, enabling enterprises to build up their own capabilities and enabling them to take the lead in exports, cultivating the technological capability for advancing overseas. And the government ought to stop the dumping sales that originate in excessive competition among software firms, and to induce systematization and specialization in order to promote accumulation of technology by software houses. With government and the enterprises taking cognizance of the importance and urgency of software industry growth, the government should put forward efforts in its area, and the enterprises should make their very best efforts on their part. In particular, there must be active technological guidance and aid for enterprises based on research institutes, taking into account the importance of private sector enterprises for advancing overseas."

12837/12795

CSO: 4107/238

S. KOREA/SCIENCE AND TECHNOLOGY

BIG BOOST IN GENETIC ENGINEERING FIELD NOTED

Large Investment

Seoul MAEIL KYONGJE SINMUN in Korean 2 Oct 85 p 6

[Text] In order to establish genetic engineering as the core technology of the 21st century, a program has been finalized for investment by the appropriate government agencies of 73.57 billion won in research funds by the year 1991.

On 2 October, the government, in accordance with the plan for promoting the state policy of research and development in the field of bioengineering, established 10 areas of priority research and development, made a decision to invest a total of 73.57 billion won by 1991, and decided to supply 19.69 billion won in research funds in order to put on a firm foundation such fundamental genetic engineering technologies as genetic material blending.

Furthermore, they have resolved to move forward toward solving problems of foodstuffs and resources by investing 8.3 billion won to develop physiologically active substances such as growth hormones and 8.1 billion won in animal breeding for genetic engineering while investing 7.65 billion won in improving varieties of agricultural products and 12.86 billion won in developing non-polluting agricultural chemicals and microorganism fertilizers.

Similarly, in order to carry out research efficiently, they plan to establish and operate a gene bank and to develop and supply basic materials and reagents.

Furthermore, they have resolved to move ahead with the task of sanctioning organisms by doing such things as establishing a center for testing toxicity in order to test the efficacy of the products that are developed.

Overseas Korean Scholars Recruited

Seoul HANGUK KYONGJE SINMUN in Korean 3 Oct 85 p 8

[Text] This year, with genetic engineering research beginning to show a lot of activity, the number of top Korean minds overseas who have been enticed home has greatly increased over last year.

On 2 October, it was announced that, according to academic and related organizations, following the establishment of a genetic engineering research center

attached to the Korea Advanced Institute for Science and Technology (KAIST), which has taken a leading role in the field of genetic engineering, and following the establishment of genetic engineering research centers at different universities including Seoul National University and of university departments related to genetic engineering at Kyonghui University, Kyongbuk University, and others, already this year, in order to make up for a serious shortage of manpower, 11 Ph.D.'s have been enticed from the United States and Japan, compared to 4 who were enticed home last year.

The KAIST genetic engineering center, which opened on 7 February of this year, enticed six researchers from America: Drs Kim Chi-yon (America's University of Chicago), Na To-son (America's Northern Illinois University), Yu Chang-nyol (America's Michigan State University), Yu Myong-hui (America's Cal Tech), Yi Tae-sil (Canada's McGill University), and Ch'oe Myong-ja (America's University of Minnesota).

Furthermore, universities as well, with the creation this year of departments related to genetic engineering and the establishment of research centers, are actively enticing top minds from overseas. It has been learned that among those enticed home are Dr An Chong-son (America's University of Tennessee) to Seoul National University, Dr Song Ha-chin (Japan's Kyoto University) to Koryo University, and Drs Han Tae-yong (America's Yale University) and Kim Su-on (America's Ohio State University) to Kyonghui University.

Last year no more than four Ph.D.-level genetic engineering workers were enticed home from overseas, two for KAIST and one each for Seoul National University and Hanyang University.

Those in genetic engineering expect that the enticement of manpower from overseas will continue to increase for the time being and they foresee an additional four or five enticed home before the end of the year.

Planned Investment in 10 Research Areas in Genetic Engineering
(unit: 100 million won)

Area	86	87	88	89	90	91	Total
Genetic material blending	18.8	23.9	30.4	35.6	41.1	47.1	196.9
Techniques to improve crops and 2d-stage anagenetic material	12.0	12.0	12.0	13.5	13.5	13.5	76.5
Physiologically active material	6.0	10.0	14.0	17.0	18.0	18.0	83.0
Organic nitrogen fixers (micro-organism fertilizers)	6.5	8.0	11.6	14.0	14.0	15.0	69.1
Non-polluting farm chemicals (insecticides)	5.0	8.0	11.0	10.5	13.0	12.0	59.5
Clean-up of the environment	3.5	3.7	4.2	4.7	5.0	6.3	27.4
Development of hybrid technology	3.3	3.8	6.6	6.8	8.1	9.0	37.6
Toxicity testing	6.4	6.6	7.9	8.3	9.7	10.7	49.6
Organic medicines	6.1	6.3	9.0	9.5	11.7	12.5	55.1
Animal breeding with genetic engineering techniques	5.6	9.4	14.0	17.8	17.1	17.1	81.0
Total	73.2	91.7	120.7	137.7	151.2	161.2	735.7

S. KOREA/SCIENCE AND TECHNOLOGY

KIST REVEALS PLANS FOR HIGH TECHNOLOGY ADVANCEMENT

Seoul HANKUK ILBO in Korean 17 Aug 85 p 7

[Article by Kim Young-kwan: "Scientific Korea of Year 2000"; first paragraph is reporter's introduction]

[Text] The rapidly developing current technological innovation in every field is expected to bring about massive changes not only in future industries and employment structures, but also in the world economic order, including international trade. As a result of accelerated technological development in the advanced nations and the great daily progress of the high technologies such as "mechatronics," life engineering, new materials, resources, energy, space, and ocean development, the competitive relationship between the advanced and the developing countries in securing technology transfers and international competitiveness is stiffening. In consequence, a reorganization of the system of specialization has become unavoidable. In preparation for such an age of intense international competition, what should be the Korean approach to the development of science and technology? In order to set our goals for the development of science and technology for the 21st century, the Ministry of Science and Technology has been holding policy council meetings by field at the Korean Institute of Science and Technology [KIST] since the 13th, with the participation of specialists from the academia, research organizations, industries, and the government officials concerned. Following are the findings about our goals for scientific and technological development in six high technology industry fields for the 21st century, as presented in the policy councils by area, in drawing up a long-term science and technology plan (15 year, 1987-2001):

Information Industry

The computer of year 2001 will be able to communicate with human beings in the natural language. It will be advanced to the extent that it will supply actively the knowledge that men need, and in accordance with the circumstances, it will make appropriate judgments by itself. The next generation of these computers will be developed by 2001.

Accordingly, the production of software will be automated, and the plants will spread throughout the country. We will develop software by which we can feed and extract data in our daily language.

We will also perfect the Integrated Information Communication Network (ISDN), the digital communication network which will be able to computerize all the communications. Photon technology will be developed so that all laser communication systems and laser computers can be put to practical use.

In the field of new media, videotex and videophone voice dialing will be developed by 1991, a terminal which responds to voice signals by 1996, and an information storage system which can be used by anyone by storing images, an automatic translator, a terminal device by natural dialogue, and the portable telephone system by 2001.

Broadcasting technology will be developed by 1991. Multichannel satellite ground station technology, the putting to practical use of the digital broadcasting instruments, and the securing of basic technology for cable television transmission will be completed by 1996, and the digital system of broadcasting by 2001. The 1 billion bit DRAM semiconductor, that is, the processing technique for 0.1 microns will be developed by 2001. (Yang Sung-taek, Head of the Team Developing Electronic Switchboard, Electronic Communications Research Institute)

As for the semiconductor, instead of following the most advanced technology of the foreign countries, development goals must be set by taking the marketability into consideration. To do so, we must select developmental technology. The question of participation by private industry must be made specific.

On the other hand, Choe Young-hwan, Promotion Bureau Chief of the Ministry of Science and Technology said, "The information industry is the area where the government-led technological developments are concentrated, and it would be not too much even if I stress this fact one hundred times." He went on to announce that investments in science and technology would reach the 2 percent level in 1986, 2.5 percent in 1991, and 3 percent by 2000, from the present 1.4 percent in proportion to the GNP. The government also plans to invest 1.5 trillion won, which is 3 percent of Electronic Communications systems sales by the year 2000.

Genetic Engineering

The Goal here is to industrialize the new biotechnical products, to achieve a second green revolution, to wipe out diseases which are difficult to cure, including cancer, and to put bio-energy to practical use. In the first stage (1987-1991), the active substance of the living body and the bacterial roots will be located; tablet-manufacturing technical processes will be perfected; experimental diagnostic medicine will be made available for practical use; and immunity control drugs will be produced in large quantities. Also, the alcohol industry will undergo a technological innovation by applying new processing techniques to alcohol fermentation. In the second stage (1992-1996), the large-volume production technique of various new biological drugs will be perfected; artificial seeds and immunity control drugs will be made available for practical use; and a new anti-cancer drug will be sought after.

In the third stage, by 2001, the products of new biology will be clinically tested and manufactured, and improved agricultural varieties will be experimented with on farms through genetic engineering. Also, the root cause for cancer will be determined, and anticancer drugs will be put to practical use; and the technique of extracting alcohol and hydrogen from cellulose will be perfected.

The techniques of gene recombination, the microscopic manipulation of the cell, and the measuring of the living body for medical use will be perfected by 1991. The techniques for large-volume cultivation of cells, bioreactors, plant cell fusion, and artificial organ production will be perfected by 1996. The technique of replacing the nucleus of the gene, bioelectronics, biosensors, and biochips will be developed by 2001.

It is estimated that the world market will be 44 trillion won. For this market, between 1 and 1.5 percent of the total science and technology funding will be allocated to the life engineering research.

Not only will our research in life engineering greatly contribute to the development of such areas as food, energy, resources, the environment, health, and medicine, but it will also be especially highly valuable in realizing an advanced welfare society in a short period of time, in concentrating the brain and technology, economizing resources and energy, and escaping environmental pollution. Thus, this research will play a crucial role in the future reorganization of industrial structures. (Han Mun-hi, Head, Genetic Engineering Center, KIST)

Commenting on the claim of the preferential right by the Genetic Company of the United States, the participants said that such a claim meant that the United States had already taken precautions in this area. They went on to comment that there was a big difference between what we saw and what they saw about us from abroad. They said that in genetic engineering, they must be able to show to the people visible results by finding an appropriate object rather than by stressing the technology. They added that they could not hope to see everything done with limited manpower and resources.

Precision Chemistry

What is happening around us outside of the technology area makes us feel that if we are to have sustained development without depending upon the overseas market, it is essential for us to firmly establish a new substance creation technology in the first half of the 1990's. The annual loss in the chemical industry reaches \$2 billion, and this is more than the total deficit in trade. By 1992, the foundation for the substance patent will be laid. The proportion that the precision chemical industry occupies in chemical industry is 50 percent in the case of Japan and the United States, 70 percent in the case of West Germany, and 90 percent in the case of Switzerland. In terms of the rate of growth, the precision chemical industry is far greater than chemical industry. The final goal is to extract between five and ten new kinds of substances in large quantities from such substances as active physiological substances and higher molecules, and to export them. To firmly establish its

foundation, the facility for searching, inspecting, and testing the new substances, such as the required screening of toxicity and clinical and field testing, will be fully equipped and operated.

By making the precision chemical industry a strategic export industry, in 2001, we will set our goal to achieve a rate of export at the 1 percent level, which would amount to \$6 billion in the \$600 billion world market.

As to the development goal by stage, by 1991, all kinds of testing and inspection systems necessary for the research to extract new substances will be firmly established. Between 1991 and 1996, when the substance patent is introduced, the new substance-extracting technology will be diffused among the industries, and a large quantity production of the substance will be promoted. The goal by 2001 is the export of the most advanced active physiological substance, the high technology semiconductor material, and the silicone chemical industrial products. The necessary manpower by 2001 will be 7,920, and the necessary budget will be 65 billion won for the first stage, 80 billion won for the second stage, and 100 billion won for the third stage. Thus, the grand total fund which will be pumped into this undertaking will be 245 billion won. (Chae Yong-pok, Head, Korea Chemical Research Institute)

On the 65 billion won first stage budget, the participants pointed out that if compared with the examples of other countries, the budget was no more than the research and development fund of a medium-size company, and urged that bolder funding would be essential.

They went on to urge that "Energy consumption in the 21st century will rise to 10 times as much as that of today, and therefore the relative importance of solar energy will further increase. As Japan is conducting the Sunshine project as a long term national project, it is desirable for us also to step up our research effort for solar energy. It is not an overstatement if we say that our precision chemical industry has not even begun. We must have a more drastic promotion and development policy." Further, they suggested that we need to install a computer data base for the development of new substances, and that the research fund should be distributed more on the basis of them rather than man.

New Materials

The advanced industrial nations such as the United States, Japan, Germany, France, and United Kingdom are currently engaged in the research and development of new materials as a national project. In the United States, research is being undertaken by the Defense Department and the Department of Energy, and in Japan, it is being undertaken with national commitment as a creation science project for coming generation. The demands for new materials in 2000 will be \$22 billion for Japan, between \$54 billion and \$60 billion for the world, and 1.33 trillion won in our case.

For us, the development of new materials is still in its embryonic stage, and its foundation is feeble. The development costs and the risks are great, and the dependence on the introduction of technology is difficult. Consequently, we are at a standstill.

Accordingly, our long-term goal is to find a solution to the energy problem, to lay a foundation for building a society of information, and to develop material technology for aviation and development of the ocean.

As for the specific goals by stage, in connection with the question of energy, in the first stage (1986-1990), ceramic materials (ceramic industry) for engine parts are to be developed; superconducting materials needed for new energy sources, and the photoelectric conversion efficiency of the solar battery in converting solar energy into electric energy is to be improved.

In the second stage (1991-1995), the goal is to develop the ceramic engine device, form-memorizing materials, which return to their original form under high temperatures; a hydrogen-storing alloy in preparation for the age of hydrogen energy, material technology for the amorphous silicon solar battery as is being developed by Japan through the Sunshine project, and high durability-high intensity materials.

By the third stage (1996-2001), the chemical compound for the ceramic turbine engine and the material technology for the silicon solar battery will be developed.

In relation to the creation of the society of information, in the first stage, the material technology will be developed for the laser electron; in the second stage, the processing technique for the chemical compound semiconductor, and the materials for the laser magnetic recording medium will be developed; and in the third stage, materials related to the laser electron, such as the three dimensional and superconducting semiconductor material technology, will be developed.

To back up the aviation industry and oceanic technology, by stage, compound materials, lightweight, high-intensity materials, super heat-resistant materials, sea-water-resistant high intensity materials, and processing techniques will be developed. The necessary manpower for these projects will be 8,300 by 2001. (Kang Il-ku, Chief, Material Engineering Department, KIST)

Higher Molecules

The high polymer new material is used in automobiles, electric, electronic, and defense industries as a lightweight structural material. The conductible higher molecule, organic semiconductor, and photosensitive higher molecules possess special functions which may also be used in the future information industry. The high molecular screen, which isolates gas or liquids, is not only useful in energy conservation and pollution prevention, but is also used as a special material for the living body, such as artificial kidneys, artificial hearts, the artificial heart and lung machine, and artificial blood vessels.

But we are still at the elementary level except in the high-efficiency high polymer compound; however, KIST has recently developed aramid pulp, a new fiber material, and as a result, a \$3 billion asbestos market is expected to be replaced by the new material.

As a high polymer material for the information industry, high resolution photoregister, which could effect more than 1 billion bits (gigabit), and plastic cables, which could replace the existing metal cable, are to be developed by 2001.

Further a gas separation filter which separates and condenses hydrogen, the reverse osmosis filter which is used in the desalination of sea water or making super-pure water, and the permeation and vaporization filter, which separates water from alcohol, will be developed.

As for the high polymer material field, for medical use, human organs such as the artificial heart will be put to practical use. By 1991, somatological synthetic materials for artificial kidneys will be developed. By 1996, artificial blood, kidney machines outside of the body, and heart and lung machines will be made available for practical use. By 2001, artificial human organs such as the heart, blood vessels, eyes, ears, and other artificial human body parts such as skin, teeth, bones, muscles will be developed.

The high-efficiency high polymer compound materials will make lightweight, high-intensity engineering plastic available for common use, and make possible the use of carbon fiber-reinforced plastic (CFRP) in the fuselage of private airplanes.

143.8 billion won is earmarked for these projects, and the manpower needed will be 12,000 by 1991. (Kim Un-yong, Chief, Chemical Engineering Department, KIST)

Automation

Design and production by computers such as CAD/CAM will be the high technology industry in the 21st century, and the U.S. market in 1995 is expected to be \$37.4 billion.

But in comparison with the advanced industrial nations, we lag behind, and our productivity and competitiveness are weak, in addition to other problems, including the shortage of high-caliber manpower and technology accumulation.

To find a solution to the problem, the three major "mechatronics" machines, such as CAD/CAM Robot automation machine, will be transformed into ultramodern machines.

In the first stage, "mechatronics" parts will be produced domestically; the technological foundation for automation will be laid; and the level of exporting of the part of the production of industrial robots will be raised to the 1985 level of Japan. In the second stage, by domesticating the high-value-added "mechatronics" manufacturing techniques, high-value-added merchandise and automated plant systems will be exported. In the third stage, the computer industry will be automated and intelligent robots will be developed.

The development of sensory technology will be divided into three stages. In the first stage (1987-1991), pressure, temperature, approach, optics, distance

sensors, and their utilization techniques will be developed. In the second stage (1992-1996), "photoelectronic image textiles", and hearing and voice sensors will be developed. In the third stage (1997-2001), devices will be made intelligent and compounded. (Yi Chong-won, Chief of the Office of CAD/CAM Research, KIST)

12474/12948

CSO: 4107/290

S. KOREA/SCIENCE AND TECHNOLOGY

ADVANCES IN COMPUTER TRANSLATION

Seoul MAEIL KYONGJE SINMUN in Korean 3 Sep 85 p 6

[Text] Efforts to eliminate language barriers through the latest developments in technology are showing great results in Korea, too, and prospects are that we will soon enter a new era in which there will be no boundaries of language.

Electronic dictionaries have been developed and are already being used. It looks like we have reached the stage of development and utilization of automatic Japanese-Korean translating machines and now that han'gul computer cards have appeared we will be able simply to use English programs without turning them into han'gul.

According to industry circles of the 3rd, Samsung Electric and the Gold Star Corporation have developed an electronic dictionary which is an English-Korean and Korean-English automatic translating system. KAIST (the Korea Advanced Institute of Science and Technology) and Korea Hughes have jointly developed a Japanese-Korean automatic translating system. Han'gul cards which allow English programs to be used as they are have been developed by Iljin Electric, Isin Electronics, Suntronic Computers, Champion Computers, and Uni-system Korea.

Furthermore, the development of even an international telephone system of computer translation is being promoted and the outlook is that language barriers between nations will be largely eliminated.

In the case of the electronic dictionaries being used in Korea, they provide idioms, synonyms, antonyms, and even irregular verb forms through a system that translates English into han'gul and han'gul into English at the push of a button and they can also be used as portable calculators.

Samsung Electric is now even exporting to America the current electronic dictionary in which 3,500 English words and 6,500 han'gul words are recorded and plans in the future to develop an electronic dictionary with the added input of 6,500 English words and 3,500 han'gul words so that whenever the users want to know any word in English or Korean that dictionary can supply it right away.

As for the Japanese-Korean automatic translator system, it was developed jointly by KAIST and Korea Hughes and in making it marketable they first developed a system for translating Japanese into Korean.

In Japan as well they are growing enthusiastic over such translator systems. Fujitsu, Toshiba and Hitachi, thinking that the market for such translator systems will reach one trillion yen before too long, are competing with each other. In particular, Fujitsu is making great strides in the development of a system for translating five languages.

In the computer industry, in order to eliminate the language barrier of English programs they are accelerating the development of han'gul cards which will allow English programs to be used just as they are without going through the process of putting them into han'gul and they are making fairly good progress.

Iljin Electric has developed the Iljin card which can be used to turn into han'gul all English programs compatible with the IBM PC/XT 16 bit computer. Champion Computers also has developed and made available their CH card which can be used with IBM software packages.

Furthermore, Isin Electronics and Suntronics Computers have jointly developed the HM-16 system for converting han'gul and English so that English programs compatible with the IBM-PC can be used just as they are. Uni-system Korea has developed the "JJ han'gul terminal" which makes it possible to use Apple-compatible programs in English.

With the latest technology, great strides are being made in development of even computer translator telephones which will provide simultaneous translation for international telephone conversations and prospects are that in the not too distant future language barriers will be eliminated and a new era of no boundaries of language will begin.

9953/12223

CSO: 4107/314

S. KOREA/SCIENCE AND TECHNOLOGY

SEMICONDUCTOR, COMPUTER INDUSTRY ACTIVITIES REPORTED

Semiconductor, Computer Strategies

Seoul MAEIL KYONGJE SINMUN in Korean 3 Jul 85 p 6

[Text] The Hyundai Group (Chong Chu-yong, president), having partially completed its No 1 semiconductor wafer processing plant and another assembly plant and begun operations, has plans to put its semiconductor and computer business on a strategic footing by continuing with completion of its No 2 wafer processing plant this September, producing the CMOS [complementary metal-oxide semiconductor] type of 256K DRAMS [dynamic random access memory].

According to industry sources on 3 July, Hyundai Group's Hyundai Electronics has already completed construction on and begun operations at its 300,000-plus p'yong tract in Ich'on, Kyonggi Province, of wafer processing plant No 1, a semiconductor assembly plant specializing in assembly work, a factory for the manufacture of equipment such as car phones, and an information equipment factory manufacturing such things as the IBM 5550 central processing unit. The company has plans to follow this with completion in September of construction on the No 2 wafer processing plant, which will manufacture 6-inch wafers.

The wafer processing plant, with some 4,400 p'yong of floor space, is able to manufacture 200,000 5-inch wafers per year, and is currently manufacturing such items as trial 16K SRAMs [static random-access memory] and 64K DRAMS. The assembly plant, which can assemble 30 million semiconductors per month, is partially completed and is assembling some products in cooperation with Texas Instruments Co of the United States.

Together with these activities, in the semiconductor field Hyundai is rushing to complete its No 2 wafer assembly plant, which is able to manufacture 300,000 6-inch wafers annually, by September, and to begin mass production of CMOS type 256K DRAMS with the technical assistance of Immos Co of the United States.

Meanwhile on 1 July Hyundai Group president Chong Chu-yong, attending the 1985 convention of the General Association of Science and Technology Organizations, held at the All-Korea Employer's Association Center, stated in a keynote address titled "Problems in the development of Korea as a Highly Industrialized Nation," that when Hyundai was starting out in the semiconductor industry, the head of Fujitsu of Japan, who had for some time been playing the role of a

fatherly advisor, advised him that "If you go into semiconductors, you will have to continue investing for your whole life and will not be able to avoid some losses." Notwithstanding this advice, Chong decided to participate in the industry in view of the importance of semiconductors.

President Chong explains that "young students are crowding into the electronics industry, and we decided to participate with firm determination in the semiconductor industry in order to prepare a launching platform for them." In his analysis, "some point to rapid declines in semiconductor prices and are concerned about excessive investment; however, prices have not dropped across the board, and there are some items that have maintained their price because they are greatly used. In particular, the reason for a drop in prices of items is Japanese dumping."

President Chong goes on to explain that this Japanese dumping offensive will stimulate the United States, and when U.S. manufacturers start looking for other countries to cooperate with in maintaining their price competitiveness against Japanese manufacturers, our country will have the best prospects as a candidate.

Accordingly, he says that the semiconductor field has bright prospects, with anticipated U.S. technology transfer and cooperation and provision of markets.

16-bit Personal Computer Export Reported

Seoul MAEIL KYONGJE SINMUN 25 Jun 85 p 7

[Text] Domestically developed 16-bit personal computers are being exported to the United States, the home of the 16-bit personal computer.

According to an involved industry source on 25 June, Daewoo Telecommunications (Yi Kyong sik, representative) has begun full scale export of 16-bit business computers it recently developed on its own, to Leading Edge, a U.S. company specializing in computer sales. Beginning with 48,000 sets shipped by the end of this year, the company is to export at the high rate of 10,000 sets per month from 1986 to 1989 for a total of 480,000 sets and foreign currency earnings on the order of \$500 million.

In particular, as the first instance of 16-bit computers developed through our country's own independent technology being exported to the United States, Daewoo Telecommunications completed development in October last year and immediately concluded a long-term sales contract on the order of \$300 million with Leading Edge. The amount increased to the extent of \$200 million over the original amount as the product received sales awards and a good reputation among users during a road show conducted throughout the United States by Leading Edge to introduce new products.

The Daewoo 16-bit computer is an IBM-compatible model, with outstanding resolution, capable of CAD (computer assisted design) use and able to use a color monitor without a separate color-use board. It is designed to be able to use a serial port and parallel port together, widening the scope of connectible peripherals--a product greatly improved over previous IBM compatibles.

This particular model was independently designed to fit the U.S. market by Daewoo's silicon valley-based U.S. branch company, ID Focus.

S. KOREA/SCIENCE AND TECHNOLOGY

ACTIVITIES IN SEMICONDUCTOR FIELD REVIEWED

Seoul University Opens Research Center

Seoul KWAHAK KWA KISUL in Korean Sep 85 p 37

[Article: "Seoul National University Semiconductor Joint Research Center Opens: Concerned Professors, Including Those of Physics, From 17 Universities Throughout the Country Take Part"]

[Text] The Seoul National University Semiconductor Joint Research Center [SNUSJRC] (director: Ko Myong-sam, professor of controlled instrumentology, Seoul National University), in which 57 professors of electronics, physics, computer science, and controlled instrumentology from 17 universities throughout the country are taking part, has recently opened and begun research activities on a full-fledged scale.

The SNUSJRC, which has been instituted to launch academic research in the field of semiconductors whose importance is becoming greater with each passing day, has named research directors and research workers in each of the 14 joint research tasks, including the first task entitled "The Development of the HEMT Element and an Investigation of Its Characteristics," and has begun launching research activities on a full-fledged scale.

The SNUSJRC is planning to place orders for the most up-to-date equipment, including CAD silicon processors, synthetic semiconductor processors, and analysis receptacles and to secure their acquisition by the end of this year with \$2.5 million of the IBRD loan. Further, it is planning from now on to purchase research equipment worth a total of \$7 million.

Moreover, it is planning to build the following separate research buildings on the compound of the Seoul National University: buildings of 1,300-p'yong scale, including 1,000-p'yong main buildings and 300-p'yong special gas facilities.

The center will from now on conduct joint research in semiconductors with industrial organizations, universities, and the government and train semiconductor specialist manpower. It will open all of its various semiconductor research equipment and facilities to all universities and business enterprises. Thus it will launch semiconductor research on a nationwide scale.

New Samsung Semiconductor Factories

Seoul CHONJA CHINHUNG in Korean Aug 85 p 90

[Article: "1M DRAM Factory Is Scheduled To Complete Construction in October-- Samsung Semiconductor Communication, Inc."]

[Text] The Samsung Semiconductor Communication Company is planning to build a pilot plant in its Kihung Plant Complex in Kyonggi Province in order to accelerate research and development. It is planning to continue its research manpower.

It is being planned that the development and production of new elements of semiconductors, including the experimental production of ultra LSI, which includes the 1M DRAM, will be conducted in that pilot plant.

Furthermore, the company is planning to increase the number of researchers to 500 by adding 150 this year in order to accelerate research and development. It is planning to continue to increase the number of researchers and to expand the overseas training of high-grade personnel.

In addition, the company has changed the trade name of the Tristar, its on-the-spot branch in Silicon Valley in the United States, to SSI (Samsung Semiconductor, Inc.). It has secured 140-personnel (including 10 Ph.D.'s) related to its business activities, and it is planning to expand its manpower further from now on.

New Hyundai Plants

Seoul CHONJA CHINHUNG in Korean Aug 85 p 9

[Text] The Hyundai Electronic Industry Company, in an effort to set up its electronic industry on a full-fledged scale, has already partially completed and put into operation the following plants in a 30,000-p'yong area in Ich'on, Kyonggi Province: a 5-inch wafer-processing No 1 plant; a semiconductor assembly plant in which the assembly is to be conducted exclusively; an industrial equipment plant which would produce other components, etc.; and an information equipment plant which would put out the central processing mechanism of the IBM 5550. A wafer-processing No 2 plant, which would produce 6-inch wafers, is scheduled to be completed during the month of September.

At the wafer-processing plant, which has a floor space of 4,400-p'yong and which is capable of producing 20,000 5-inch wafers a year, pilot products of 16K SRAM's, 64K DRAM's, etc. are being produced now. The assembly plant, capable of assembling 30 million semiconductors a month, has been partly completed. Its assembling facilities are activated in part in a joint operation with the TI Company of the United States.

Furthermore, the company is planning to complete, in the field of semiconductors, the wafer-processing No 2 plant, which is capable of producing 300,000 6-inch wafers a year. It is pushing a mass production project of 256K DRAM's of the CMOS type in a technical tie-up with the Immos Company of the United States.

S.KOREA/SCIENCE AND TECHNOLOGY

EXPORT INDUSTRIALIZATION ON FIBER OPTICS ENCOURAGED

Seoul HANGUK SINMUN in Korean 10 Oct 85 p 3

[Article: "Export Industrialization of Optical Communications Is Stepped Up; Domestic Consumption of Fiber Optics and Cable Optics Is 9 Percent of Total Output; Development of Related Equipment, Including LAN Optics, Too; Gold Star Electric Wire Will Export 10,000 Km of Fiber to AT&T Company at End of Month; Samsung Semiconductor Will Contract With United States for 13,000 Km; Daewoo Communications Has Given Concrete Form to Business Talks With Northern Telecom of Canada; and Daehan Electric Wire Will Have Further Consultations After Sending 10 Km of Cable to Japan"]

[Text] Optical communications industry circles are pushing ahead of schedule the export industrialization of fiber optics and cable optics in order to encourage a boom in the field.

Furthermore, they are set to develop related apparatus, including LAN optics, optical telephoto apparatus, and optical transformation apparatus in order to increase domestic consumption.

According to an announcement made on 9 September by the industry circles, a total of 45 billion won was invested last year in this field in which four companies are taking part; and the field has a capability of producing 156,000 km of fiber optics and 12,500 km of cable optics a year.

However, the amount of domestic consumption of this year is only 10,000 km of communications network, including the LNG construction project, which stretches from Inch'on to Kuro through P'yongt'aek, which is designed to support the two festivals of 1986 and 1988.

This of course represents the public service field. However, even if one figures the actual output at 109,200 km or 70 percent of the authorized capacity, the domestic consumption is a little over 9 percent of the total output.

Therefore, the circles are making emphatic efforts to open up overseas markets in order to launch a stabilized operation.

In the case of the Gold Star Electric Wire Company, it is planning to export 10,000 km of fiber optics to the AT&T Company of the United States around the end of September. And it is also holding business talks with the United States and Southeast Asian countries.

Gold Star's recent exports represent a follow up of the last export contract with the AT&T Company in which \$30 million worth of goods are scheduled to be supplied during a 15-year period.

It is reported that the Samsung Semiconductor Communications Company has also made a firm arrangement to export 13,000 km of fiber optics and cable optics to the United States by the end of this year.

The Samsung Company exported 5,000 km of fiber optics to the United States in the autumn of last year for the first time.

The Daewoo Communications Company has also given a concrete form to its business talks with the Northern Telecom Company of Canada. The Daehan Electric Wire Company, too, exported 10 km of cable optics to Japan in last may and has been holding talks, since then, on the issue of carrying out further exports, it is reported.

The optical communications industry circles, in addition to such export efforts, are making emphatic efforts to develop various applied systems and apparatuses.

The circles have already put into practical use or have been developing related apparatuses, including the compound processing ground wire (CPGW) for fiber optics, compound cables for electricity optics, connector optics, switchboard optics, junction box optics, and optical transformation apparatus for the use of video and computer data.

Furthermore, the circles are carrying out ahead of schedule the development and practical use of the most up-to-date technology in related applied systems, including LAN optics (short-distance communication networks), ISDN (comprehensive information communications networks), optical telephoto apparatuses, telephoto conferences, audio optics, laser communications through the air, and monitoring control of the single-pole optics.

Meanwhile, the circles appraised the quality and productivity of long-wave fiber optics and single-mode fiber optics to have been raised up to the international level thanks to the technical development made so far; however, they observed that the government offices or organizations must watch carefully the examples of Japan which purchased its optical communications network on its own, in view of the fact that the domestic demand is so small.

7989/12781
CSO: 4107/313

S.KOREA/SCIENCE AND TECHNOLOGY

ROBOTS IN AUTOMOBILE, ELECTRONICS INDUSTRIES

Seoul MAEIL KYONGJE SINMUN in Korean 26 Oct 85 p 6

[Text] As factory automation floods in, robots are becoming more actively used in domestic industries. According to industry sources on 26 October, it is evident that robots are being actively used for such things as welding and plastic extrusion in several fields, starting with the automobile industry--in which a foundation in factory automation has already been established--and including the electronics industry.

At the Hyundai Automobile Co., which uses the greatest number of robots in the automotive industry, 25 robot in all have been introduced and put to work replacing people in areas where the work is most difficult and dangerous.

In particular, robots practically dominate the welding field.

One of these robots can do in 80 seconds the amount of work it would take 12 workers 2 minutes to do, greatly increasing work efficiency, and they are valued for increasing the level of uniformity in the work with scarcely any errors and for a high level of contribution to quality improvement.

Nearly half of the robots currently used by the Hyundai Automobile Co. were assembled by the company itself from imported parts. However, in the future the plan is to shift by stages to domestic manufacturing.

Kia Industries has brought in two robots from Japan and is using them for auto chassis welding. Under a plan to use robots on the assembly line as well, beginning next year the company is currently moving forward with a contract to bring in a large number.

Meanwhile, the Daewoo Automobile Co. last year began to introduce robots developed by Daewoo Heavy Industries and is using them for welding and other tasks on the assembly line. The company has plans to increase greatly the introduction of robots for use in manufacturing its World Car beginning next year.

Along with these developments, the use of robots is also becoming active in the electronics industry. Gold Star has installed robots on its VTR production line at its P'yongt'aek plant, and Samsung Electronics and Daewoo Electronics are using robots for painting and plastic extrusion work at their Suwon and Kumi plants.

Also, there is recently evident an increasing number of robots in the food-processing and steel plate industries. In the future, the demand for robots is expected to grow greatly.

There are currently no more than 50 robots in use domestically, but it is expected that the number will exceed 100 as early as next year.

There is an especially intimate relationship between robots and computers and it appears that the demand for robots will greatly increase as the computer industry develops.

Meanwhile, as the use of robots expands, enthusiasm for domestic development of industrial robots increases apace.

Currently, companies participating in the development of robots include Daewoo Heavy Industries, Samsung Precision, Gold Star, and Numeric. These companies are rushing into autonomous development as well as assembly production using imported parts.

Last year Daewoo Heavy Industries succeeded in shifting to the domestic production of industrial robots and has already begun to acquire a mass production system. Samsung Precision has concluded a technology transfer agreement with Dainichi Machine Industry of Japan and is devoting its efforts to the development of transport robots.

Gold Star has produced some 500 educational robots and has begun developing industrial robots on the basis of this experience. Numeric Co. of the Kolon Group has imported parts from the Fanuc Co. of Japan and is putting its efforts into the assembly production of a variety of types, including transport robots, welding robots, and assembly robots.

12837/12781

CSO: 4107/035

S. KOREA/FOREIGN RELATIONS

FOREIGN MINISTER REVEALS DIPLOMATIC GOAL FOR 1986

SK310159 Seoul YONHAP in English 0045 GMT 31 Dec 85

[Text] Seoul, Dec 31 (OANA-YONHAP)--The South Korean government has set a diplomatic goal for 1986 of "expanding the foundation for national security and peaceful reunification," in order to promote peace on the Korean peninsula.

To achieve that goal, the government will continue to strengthen its ties with its long-standing friendly countries, including the United States, Japan and West European countries, while promoting cooperation with non-aligned third world countries, Foreign Minister Yi Won-kyong said.

To improve relations with the communist world, South Korea will expand exchanges and contacts with communist countries, including China and the Soviet Union, in non-political fields, he said.

The government will encourage communist countries to play a constructive role in easing tensions on the Korean peninsula by enhancing an atmosphere of mutual understanding, Yi said.

To pave the way for its "peaceful unification diplomacy," the ministry will try to create an international atmosphere in which various forms of inter-Korean dialogue, such as Red Cross talks and economic talks, progress substantially, the foreign minister said.

Seoul will encourage Pyongyang to respond sincerely to the South-North dialogue by exposing Pyongyang's real motives for holding tripartite talks involving the two Koreas and the United States and by revealing the fictitiousness of Pyongyang's so-called "Koryo Federation formula," Yi said.

He said that Seoul will reinforce the Korean-U.S. government-to-government consultative system, including the annual foreign ministers' and security meetings.

The government will also try to resolve Korean-Japanese issues through regular ministerial and foreign ministers' meetings.

The foreign ministry will strengthen bilateral relations with West European nations by promoting "visiting and invitational diplomacy" and will try to obstruct Pyongyang's efforts to establish a diplomatic foothold in Western Europe, the minister said.

Seoul will place special emphasis on improving relations with countries ruled by socialist parties, such as France, Greece and Portugal, Yi said.

To strengthen economic diplomacy, the foreign minister will participate in bilateral and multilateral negotiations, including the GATT's new round of negotiations on trade and the Multifiber Arrangement (MFA), Yi said.

The ministry also plans to promote trade diplomacy with member-countries of the Association of Southeast Asian Nations (ASEAN) next year and to make persistent efforts to develop new markets in the Middle East, Latin America and Africa.

To lay a foundation for the success of the 1986 Asian games and 1988 summer Olympic games, the ministry will make diplomatic contacts with many nations.

In addition, the ministry will engage in vigorous negotiations to allow more Koreans to emigrate next year, Yi said.

/12858

CSO: 4100/66

S. KOREA/FOREIGN RELATIONS

BRIEFS

ROK DENIES JAPANESE PRINCE'S VISIT--A Ministry of Foreign Affairs official said yesterday the government has not discussed with the Japanese government a possible visit by Japanese Crown Prince Akihito to Korea. Commenting on reports that the Japanese government is studying the matter, he also said the government has received no such reports from the Korean Embassy in Tokyo. He said the ministry has instructed the embassy to confirm the reports. [Text] [Seoul THE KOREA HERALD in English 5 Jan 86 p 1 SK] /12858

CSO: 4100/66

S. KOREA/FOREIGN TRADE

TEXTILE CIRCLES TO SEND HIGH-POWERED MISSION TO U.S.

SK300413 Seoul YONHAP in English 0304 GMT 30 Dec 85

[Text] Seoul, Dec 30 (OANA-YONHAP)--South Korean textile circles plan to send a high-powered trade mission to the United States next month in an effort to preclude further bilateral trade friction, a business source here said Monday.

The private-level mission will comprise high-ranking officials from the Korea Federation of Textile Industries, the Korea Garments and Knitwear Export Association, the Korea Chemical Fibers Association, the Korea Export Association of Textiles and major textile exporting companies.

It plans to hold a series of negotiations with the U.S. trade representative's office, the American Textile Manufacturers Institute, the Retail Industry Trade Action Coalition, the Cotton Council International, the National Retail Merchants Association, and the American Association of Exporters and Importers.

In its negotiations with those U.S. trade organizations, the mission will develop basic strategies to cope with growing U.S. import regulations. Those strategies will be introduced at future international negotiations for extending the Multifiber Arrangement (MFA), which is due to expire on June 30 of next year, the source said.

Although U.S. President Ronald Reagan vetoed the controversial Thurmond bill two weeks ago, the United States is expected to strengthen its trade barriers against the importation of foreign-made textile products, to protect domestic industries.

The Korean mission will also tap the possibility of employing U.S. lawyers to represent Korean textile industries in the forthcoming MFA negotiations and in bilateral textile trade talks with the United States, the source said.

The mission also plans to encourage the Retail Industry Trade Action Coalition, a private U.S. textile trade pressure organization, to hold a joint annual conference. In the conference, they would develop joint countermeasures against U.S. import regulations.

The Korean business circles oppose the expiration of the MFA but would like to revise certain MFA provisions and to extend international textile trade regulations.

In future MFA negotiations, the circles will oppose any proposal calling for the reduction or freezing of quotas or for the expansion of items subject to the quota system, the source said. Therefore, they will try to promote cooperation with textile exporting countries, such as Hong Kong, West Germany, Italy and Switzerland, the source said.

/12858

CSO: 4100/66

S. KOREA/FOREIGN TRADE

U.S. PROTECTIONIST SENTIMENT BASED ON FALSE RATIONALE

Seoul HANGUK ILBO in Korean 2 Oct 85 p 1

[Text] The United States, in talking up its trade deficit with Korea, is intensifying its pressure on Korea to open its markets and is strengthening measures to regulate a variety of imports. However, if the money which flows back to America through payment on the foreign debt, remittance of profits on investments, and expenditures by tourists and overseas students, along with the purchase of materials and special equipment by overseas construction companies, is taken into account, then just as before the figures are ridiculously in the black.

Since 1983 Korea has had a surplus in commercial transactions with the United States and in regular trade as well, combining commercial and noncommercial transactions, Korea has recorded a surplus since 1983, but if the overall trade figures for the last 6 years are added up, Korea recorded overall a massive deficit in its regular trade with the United States.

Even since 1983, when Korea has run up a surplus in regular trade, if transfer transactions, which are not included in the calculations of regular trade such as purchases of materials and special equipment by Korean construction companies, are taken into consideration, then in total trade Korea has, on the contrary, a deficit and the United States has a surplus.

According to the flow in regular trade as added up on the first by the responsible parties concerned, in its commercial and non-commercial transactions with the United States from 1979 through 1984, a 6-year period, Korea ran a deficit for the 4-year period from 1979 through 1982 of \$4,845 million in regular trade. In 1983-1984 Korea recorded a surplus of \$3,227 million. Accordingly, over this period of time Korea registered a deficit in regular trade with the United States of a total of \$1,618 million.

Such a deficit in regular trade in addition to the deficit in commercial transactions, is because a lot of foreign currency was paid out in overseas travel expenses, remittance of income from investments, payment of interest on loans, service transactions, insurance payments, and expenditures by the government.

Even though since 1983 Korea's trade surplus has exploded and covers this deficit in non-commercial trade, and in 1983, when the surplus first appeared, a \$979 million surplus was recorded in regular trade and in 1974 it was \$2,248 million, still if the total of \$1 billion worth of special equipment imported from the United States the total of \$500 million in construction materials purchased from the United States by overseas construction companies, none of which is included in the calculations of international trade is added up, then in overall trade Korea runs a deficit with the United States just as before.

The United States, pointing out that it ran a deficit in commercial exchanges with Korea of \$162,800,000 in 1982, \$1,853,400,000 in 1983, and \$3,003,300,000 in 1984, is demanding that Korea rectify this and is increasing pressure on Korea to restrain a variety of imports and to open up its markets. But in overall trade Korea is still running a deficit. Accordingly, the U.S. action of placing tighter restraints on imports from Korea is being taken as an extremely unreasonable action.

9953/9435

CSO: 4107/013

S. KOREA/FOREIGN TRADE

BRIEFS

1985 EXPORTS ROSE 3.5 PERCENT--Seoul, Jan 4 (OANA-YONHAP)--South Korea's exports totalled 30,249 million U.S. dollars last year, up 3.5 percent from the previous year, the Ministry of Trade and Industry reported Saturday. While exports in the first half of 1985 declined by 4.1 percent, they rose by 9.6 percent in the second half, according to tentative statistics compiled by the ministry. The ministry attributed the steady rise in exports in the second half to an improvement in export conditions due to the simultaneous depreciation of the U.S. dollar and the appreciation of the Japanese yen and European currencies, as well as various forms of assistance extended by the government. The exportation of automobiles and video tape recorders began to pick up steam early last year, but the exportation of footwear and synthetic resin products did not begin to accelerate until the latter half of 1985. Textile and steel exports, by comparison, began to gain momentum in the fourth quarter, the ministry reported. Contributing substantially to the increase in exports last year was a sharp rise in the exportation of cars and steel products to Canada, and of video tape recorders to the United States and Europe, the ministry added. [Text] [Seoul YONHAP in English 0740 GMT 4 Jan 86 SK] /12858

CSO: 4100/66

N. KOREA/POLITICS AND GOVERNMENT

NODONG SINMUN EDITORIALS FOR JULY 1985

[Editorial Report] The following editorial appeared in Pyongyang NODONG SINMUN in Korean during July 1985:

Pyongyang NODONG SINMUN in Korean on 2 July 1985 at the upper right of page 1 carried an editorial entitled, "Let Us, the Working Class, Take the Lead in Carrying Out the Three Revolutions." [Text published in FBIS Asia and Pacific DAILY REPROT Vol Iv, No 129, 5 July 1985, pp D 12-14: "Editorial on Performance of Three Revolutions."]

On 4 July 1985, at the lower half of page 3, the paper carried an editorial entitled, "Let Us Expedite the Country's Cause of Reunification by Materializing the 3-Point Principle -- Independence, Peaceful Reunification, and Grand National Unity." [Text published in FBIS Asia and Pacific DAILY REPORT Vol Iv, No 129, 5 July 1985, pp D 105; "Editorial Marks Anniversary of Joint Statement."]

On 10 July 1985, at the lower left of page 1, the paper carried an editorial entitled, "Let Us Catch Sardines On A Large Scale." The editorial states that fishermen and three revolutions team members are achieving a bumper harvest of sardines in keeping with Kim Il-song's instructions to take full advantage of the considerable fishery resources in ocean waters which border the country on three sides; states that large sardine schools are present this year and that even larger schools are forecast for future summer fishing seasons on the east coast; points out that nearly all year round large catches of fish are possible to be achieved through large scale concentrated fishing projects for the purpose of achieving the goal of 5 million tons of marine products which is one of the 10 long range goals of socialist economic construction and thereby raise the people's nutrition level; calls upon all functionaries and workers in the fisheries and allied sectors to heed Kim Il-song's recent instructions on large scale sardine fishing in accordance with the recent favorable fishing situation and to achieve a new transformation in fishing by establishing and following measures for sardine fishing in accordance with party requirements; urges the functionaries to implement thoroughly the party's fishing measures in keeping with their responsibility for the livelihood of the people; calls upon the guidance functionaries in the administration council and fisheries committee as well as other party, state and economic organizations to strive with new understanding and resolve to implement the party policy on large scale sardine fishing, devote their

strength and wisdom to unconditionally carrying out large scale sardine fishing projects and thereby demonstrate their revolutionary nature, party spirit, working class nature and populist nature; exhorts guidance functionaries in party, government and economic organizations to uphold the party slogan, "May the Entire Party Mingle With the Masses!," go among the masses, eat and work alongside performing party politico-organizational work to vigorously arouse the masses to implement the party's fisheries policy; calls for production of large quantities of fishing gear and fish processing facilities as well as launching of more fishing boats such as the 3,750 ton fishing boats, refrigeration and processing mother ships, transports and operations ships; urges appropriate functionaries to maintain ample processing facilities such as refrigeration, salting, oil extraction and fish meal facilities as well as production of a large amount of wooden barrels for timely processing and shipping of processed sardine products; exhorts all functionaries in the fisheries sector to go down to the lower units and inspect the condition of repairs and operational status of fishing boats and arrange to send them out to the fishing grounds for a large sardine harvest and see to it that fish unloading and processing are properly overhauled and in good operational condition; urges allied committees and ministries in the administration council, local party and executive organs to carry out a general mobilization to assist the fishing battle with manpower and material during the summer fishing campaign just as they did during the winter fishing campaign for timely sardine catching, processing and distribution to realize the party's design for significantly raising the living standard; exhorts all to uphold Kim Il-song's instructions on large scale sardine fishing and thereby achieve the goal of 5 million tons of marine products ahead of time.

On 13 July 1985, at the upper right of page 1, the paper carried an editorial entitled, "Let Us Make an Effort To Work With On-Site Technicians." The editorial quotes Kim Chong-il's work, "Let Us Advance Under the Banner of Marxism-Leninism And the Chuche Idea" concerning the importance of raising up the role of scientists and technicians in accomplishing the technical revolution; states that technicians at the production sites are the powerful forces for accomplishing socialist construction and the technical revolution who possess creative wisdom and latent scientific and technological prowess; points out that recently, Kim Il-song gave instruction on the functionaries going down and working with the on-site chief engineers and their deputies frequently to assist them; emphasizes that the functionaries must possess a correct viewpoint concerning technicians at the production sites and strive to assist them as the technological talent which the party cherishes and fosters; notes that it is a principle of the Taean Work System that technical functionaries perform production organizational and supervisory work upon which the prospects for success in the production process depends; notes that the role of chief engineers and their deputies in the production design, process and supervision must be increased since they are the best informed about all matters arising in production and technological development; points out that one of the important tasks in working with on-site engineers is to provide that they actively participate in the implementation of the party's economic policy by having the party functionaries and economic administration functionaries mingle with the on-site technicians and inform them of the wishes and policy of the party at the proper time so that they will be able

to turn their attention to the most urgent tasks at hand and expedite the technical revolution; stresses that party organizations and guidance functionaries must see to it that on-site engineers turn their interest in the struggle to conserve heat and electric power so that more can be produced with less; calls upon party organizations and functionaries to ascertain how the on-site engineers organize the production process in a reasonable manner, increase the machinery usage level and oversee production in compliance with technical regulations; cites the example of the functionaries in the Pyongyang Textile Machinery Factory who roused the on-site technicians to provide a technical innovation percentage of 25 percent each year and thereby normalized production at a high level; emphasizes provision of an atmosphere for the on-site technicians to make inventions and creative proposals for technical innovation since they already have the talent for inventions to activate when given the chance; urges factory party organizations and functionaries to guide the on-site technicians to make discoveries and creative proposals while providing the production assigned to them; calls for proper use of industrial test stations and 15 April technical innovation brigades" so that new products and machinery will be made and properly utilized; calls for intensification of creative cooperation between technicians and workers and steady advances in factory modernization and scientification; exhorts party functionaries to make great use of even minute technical innovations of the technicians and turn their attention to increasing their technical expertise so that they will be able to make more discoveries and innovations and become more expert in their technical skill.

On 15 July 1985, at the center left of page 1, the paper carried an editorial entitled, "Let Us Vigorously Help Out On the Steel Front and Bring About An Epochal Increase In Iron and Steel Production." The editorial states that Kim Il-song has recently given instructions on epochally increasing iron and steel production and that the Kimchaek Iron Complex, a large steel production base in the northern area, is actively engaged in a struggle for increased steel production and is presently achieving innovative successes in steel production every day; notes the other iron and steel mills nationwide are also waging a struggle to increase steel production, including the Songjin Steel Complex and Hwanghae Iron Complex; calls upon the functionaries and workers in all sectors of the national economy to assist the steel front materially and technologically from the masterful standpoint of joint responsibility for iron and steel production; stresses assistance to iron ore mines throughout the country, including the Musan Mining Complex; urges the machine industrial sector to produce and provide a larger quantity of modern extractive equipment to the ore mines such as large trucks and bulldozers; exhorts the materials supply sector to provide parts and materials on a priority basis; calls for the functionaries in the appropriate sectors to go down to the ore mines frequently to perform factfinding, enable iron ore production to be normalized at a high level so that the iron and steel mills will be provided at least 1 month's supply ahead; urges functionaries in all sectors charged with production and supply of raw materials, coal and fuel to the iron and steel mills to increase production and plan for priority delivery of them to the iron and steel mills; urges factories and enterprises to search out and mobilize discarded machinery and iron filings and for cooperative farms and neighborhood districts to conduct scrap iron gathering campaigns to assist the

iron and steel production front; emphasizes the roll of concentrated transportation facilities in efficiently transporting large amounts of freight to the iron and steel mills; explains the roll of steel in the machine tool begets machine tool movement, increased production of ships, freight cars, extraction machinery, housing construction and rapid development of light industry and the rural economy; calls upon all guidance functionaries in both the center and the localities to formulate detailed plans to organize iron and steel production assistance projects, give clear assignments to subordinate units and provide coordination with cooperative production elements; exhorts the administration council to provide unequivocal tasking to the trade sector concerning equipment, raw and processed materials needed for iron and steel production and perform normal status check-ups and adopt measures for implementation; calls for party organs at all levels in every sector of the national economy to perform political work and work with people so that all party members and workers will help out on the iron and steel production front.

[Text also translated under the title: "Let Us Vigorously Support the Steel Front So As To Bring About an Epochal Increase in the Production of Steel Materials"; JPRS-KAR-85-059, 30 August 1985, pp 117-118: "Importance of Facilitating Steel Production."]

On 17 July 1985, at the center left of page 1, the paper carried an editorial entitled, "Let Us Substantially Carry Out All Work." [Text published in FBIS Asia and Pacific DAILY REPORT Vol IV, No 139, 19 July 1985, pp D 8-9: "Paper on Tasks of Economic Guidance Functionaries."]

On 18 July 1985, at the lower left of page 1, the paper carried an editorial entitled, "Grass Cutting With Vigor." The editorial quotes Kim Il-song on a wide-scale grass cutting campaign at the cooperative farms and production of good quality manure; notes that organic fertilizer is the key to soil improvement and grass humus is the main ingredient for this; calls upon the functionaries and farm workers in the agricultural sector to exceed their goals for grass cutting especially during July and August when the nutritious content of the grass is at a peak; calls for maximum mobilization of manpower and transport facilities during the grass cutting season and arrange daily assignment of chores for all work teams, squads and farmers; exhorts cooperative farms to see to it that the grass, once cut, does not dry, but to arrange for immediate transportation to humus production sites in the cooperative farms and make sure that it is properly utilized by humus production plants, livestock raising work teams and squads; urges the functionaries in rural party organizations to explain to the farm workers and imbue them with an appreciation of the party's requirements and wishes for proper humus production and improvement of soil quality and to arouse them to active participation in the grass cutting battle; stresses the need for waging the grass cutting battle as a mass campaign; calls for daily evaluation of the status of grass cutting and humus production and continual urging of the farm workers to wage the grass cutting and humus production battle; urges the functionaries and farm workers in the agricultural sector to achieve marvelous success in this year's grass cutting battle with grand assurance that everything is being readied for a good crop this year.

On 18 July 1985, at the lower right of page 1, the paper carried an editorial entitled, "New Levels, New Records Endlessly." The editorial notes that one of the important matters in raising up the living standard to an epochal level is more energetically carrying on the campaign to create new levels and new records in all sectors of the national economy and thereby bring about a new transformation in production and construction this year; quotes Kim Il-song on eliminating obsolete technology and work habits and endlessly creating new levels and new records in all sectors of the national economy; emphasizes that the campaign to create new levels and new records is a firm assurance of the success for creating the "speed of the eighties" and is closely allied with the campaign to capture the red flag of the three revolutions and the campaign to emulate the unsung heroes geared to reducing expenditures of production elements and to bringing about a greater upswing in production and construction; states that the period spanning the months of July-August each year is "new level creation month" during which the campaign to create new levels and new records is to be more vigorously waged on a mass scale; exhorts all functionaries and production workers in party organizations, economic guidance organizations, factories and enterprises in all sectors of the national economy to appreciate the significance of the campaign to create new levels and new records and to participate actively in this campaign, particularly in conjunction with the mass campaigns to capture the red flag of the three revolutions and the campaign to emulate the unsung heroes; emphasizes the need for all units in all sectors to set clear goals for the campaign to create new levels and new records and arrange that the masses of production workers have the necessary conditions to join in this campaign; calls for heightening the role of scientists and technical specialists in factories and enterprises so that they are able to create innovative proposals for incorporation into the production process as well as expediting the projects of on-site technicians to incorporate the results of modern scientific technology and advanced working methods to improve the production process and raise up the manpower production ratio; calls for widespread organization of socialist competitions and for party organizations in factories and enterprises to work closely with administrative and trade union organizations to organize socialist competitions among enterprises, factories, work teams, shop teams and individuals and evaluate their performance on a regular basis; calls for improvement of production and manpower organization and thereby achieve much more materials and machinery production and construction.

On 20 July 1985, at the upper right of page 1, the paper carried an editorial entitled, "Let Us Further Develop Physical Education." The editorial states that developing physical education, building up the physical wellbeing of the people and promoting a strong will and collectivist spirit is one of the very important matters governing the rise and fall of a country; emphasizes that the party has always devoted attention to promoting the health and noble athletic spirit of the people and that Kim Il-song recognized the importance of athletics and arranged for athletic competitions for the young people and members of the Korean Peoples Revolutionary Army in the guerrilla controlled areas during the Anti-Japanese revolutionary struggle; quotes Kim Il-song on the necessity for rapid development of physical educational science and technology in the country and enhancement of the physical prowess of the people; stresses that one cannot contribute to the revolution and construction

if one is in poor health and too weak to perform no matter how much knowledge and skill that person may possess; notes that the beloved leader, Comrade Kim Chong-il, has recently taken wise steps to develop physical education; calls for schools, organizations, enterprises and cooperative farms to conduct athletic programs; exhorts guidance functionaries to hold athletic contests on Sundays and other occasions so that workers, peasants, soldiers, office workers and students will enjoy physical education and develop strong physiques; urges properly conducting physical education guidance personnel training programs and the development of athletics on a mass scale for all the people as well as improvement of the quality of physical education in the physical education departments of normal schools, teachers colleges and senior physical education trade schools; calls upon all athletes to brilliantly implement the requirements of the party's ideological battle, fighting spirit battle, speed battle and technical battle and demonstrate a high revolutionary spirit of 100 victories in 100 battles; states that there are athletic clubs and numerous athletics teams and athletics units where skilled athletes congregate everywhere throughout the country; calls for enhancing the role of the Korean Physical Culture and Sports Guidance Committee and the physical education guidance committees in the provinces, cities and counties as well as improving the work of the athletics teams and training of athletes; urges establishment of sports stadiums, swimming pools and gymnasiums in order to render a positive contribution to physical education in accordance with modern scientific development; calls upon all functionaries, workers and youth to develop their physical prowess more strongly and raise up the overall level of physical education of the country and the role of sportsmen in order to more brilliantly illumine the prowess and prestige of Chuche Korea.

On 23 July, 1985, at the upper half of page 1 with border, the paper carried an editorial entitled, "Let Us Strongly Arm The Party Members And Workers With A High Revolutionary And Class Consciousness." States that revolutionary and class indoctrination of the party members and workers is necessary these days when the aggressive and bellicose machinations of the imperialists and their henchmen are growing stronger; quotes Kim Chong-il on intensifying class indoctrination of the masses in order to arm them strongly with a class consciousness; states that the chieftain of imperialism is U.S. imperialism and that the tripartite military alliance of the United States, Japan and South Korea is growing stronger for the purpose of invading the republic; excoriates South Korea for advocating "peace" and "talks" while planning aggression and attempting to paralyze the healthy revolutionary consciousness of the people; stresses that all levels of party organizations shoulder the responsibility of molding party members and workers into true revolutionaries faithful to the principles of revolution while fighting on the frontier of the anti-imperialist struggle to counter the attacks of the enemy just as in the days of the anti-Japanese revolutionary struggle; notes that another important ingredient in revolutionary and class indoctrination is instilling in the party members and workers the facility to analyze, evaluate and act upon all material phenomena from the working class viewpoint and that revolutionary and class consciousness is expressed through viewing all material phenomena through this working class viewpoint and acting in accordance with class fundamentals; stresses that the basis of distinction between progress and decline of a social system is whether that society is for the people or not;

points out that South Korean society shows its reactionary and anti-populist character in the political, economic and military arenas; calls South Korean economy a "limping economy" and a debtor economy with a debt of over 50 billion dollars; urges party members and workers to see the two-faced policies of South Korea regarding "peace" and the North-South parliamentary talk; notes that the socialist system of *chuche* which the great leader, Comrade Kim Il-song, established is a haven of happiness for the people and that the party and state have always worked to increase the living standard despite shouldering grave responsibilities in direct confrontation with the enemy; calls for all party organizations to carry out the anti-United States joint struggle month aggressively during the period of 25 June-27 July with material taken from direct experience with the present criminal actions of the U.S. imperialists and the Chon Tu-hwan puppet clique so that the party members and workers will be properly indoctrinated in class consciousness and continue to fight firmly to defend and advance the revolution.

On 24 July 1985, at the upper right of page 1, the paper carried an editorial entitled, "To Catch Much More Pacific Sand Lance." The editorial quotes Kim Il-song on catching all kinds of fish with small and large fishing boats, in close waters and far out on the ocean and catching a lot of fish in the west coast waters as well; notes that there are tasty, high quality fish to be caught in the western sea and now is the time to catch pacific sand lance which have been present in large schools since April until the present; calls upon the functionaries and workers in the appropriate sectors and units to turn their attention to fishing in compliance with the party's new measures on sand lance fishing and processing on the west coast and raising the standard of nutrition of the people by bringing west coast fishing operations up to a new high level; emphasizes that the party requires a better realization of the conversion of western sea fisheries operations to a modern, scientific footing; calls for more modernization of fishing boats now in service and outfitting them better with modern fish detection equipment; urges the appropriate provinces to see to it that ample facilities are prepared to dock the fishing boats and unload the fish in a timely fashion; exhorts the fisheries sector to join forces with the appropriate scientific research institutions to remodel sand lance drying equipment and waste not a single fish during processing, seeing that even the water is sent to the foodstuffs sector to be incorporated in the preparation of tasty and nutritious food products; states that the Monggumpo Fisheries Station is well known as a base for catching and processing sand lance and that if such bases are better equipped they will be able to handle and process all the fish which the fishing cooperatives bring in; urges the fisheries sector to establish plans for better equipping the Monggumpo Fisheries Station as a base for catching and processing sand lance, concentrate forces on this project so that this station will be able to receive, process and ship out all the fish brought in by the cooperatives; exhorts the functionaries in party and executive organizations in provinces, cities and counties in the west coast to go down to the work areas and ascertain the situation, settle all problems they encounter, take charge of fishing battles in harmony with the changing fishing situation and thereby continue to raise up the sand lance fishing results.

On 25 July 1985, at the middle right of page 1, the paper carried an editorial entitled, "Let Us Widely Organize Concentrated Transportation." The editorial notes that raw materials and fuel must be shipped in a timely fashion to the factories and enterprises at this time when a production upswing is occurring in every section of the national economy; quotes Kim Il-song words, "The concentrated transportation system must be widely introduced in the railroad transportation sector"; states that concentrated transportation is one of the three facets of the transportation system which Kim Il-song proposed some time which includes interconnected and containerized transportation; cites the example of the Pyongyang railroad station which has incorporated the concentrated transportation system for its shipments of coal, cement, lumber, etc., to factories and enterprises for such projects as the Pyongyang Thermal Power Station construction and the Nampo Lockgate construction; emphasizes that Kim Il-song recently evaluated the status of concentrated transportation facilities and issued instructions again on this topic; calls for full utilization of concentrated and interconnecting transportation systems to meet the demand for coal, cement, logs, etc., at the large enterprises and factories; calls upon allied sectors to prepare the goods for shipment ahead of time and to provide shipments in a timely fashion to make full utilization of concentrated transportation facilities, especially in the extractive, building materials and metallurgical industrial sectors; notes that the functionaries and workers in the Kangson Steel Mill have done their job well through the correct appreciation of concentrated transportation, and their performance of railroad spur line management and freight car repairs; urges timely performance, when called for, of in-station track enlargement, replacement with heavier rails, etc.; calls upon the functionaries in the railroad transportation to establish plans in line with the objective of concentration transportation and display the high-minded trait of implementing them unflinchingly to raise up the ratio of utilization of concentrated transportation and thereby demonstrate the superiority of the concentrated transportation program which the party presented.

On 26 July 1985, at the upper right of page 1, the paper carried an editorial entitled, "Let Us Fully Demonstrate the Potential of Local Industrial Production." [Text published in FBIS Asia and Pacific DAILY REPORT Vol IV, No 147, 31 July 1985, pp D 11-13: "NODONG SINMUN Stresses Self-Reliant Local Industry."]

On 27 July 1985, at the upper half of page 1, the paper carried an editorial entitled, "Let Us, the Entire Nation, Unite To Avert the Danger of War and Accelerate the Cause of Peace and Reunification." [Text published in FBIS Asia and Pacific DAILY REPORT Vol IV, No 145, 29 July 1985, pp D 6-10: "Paper Marks Anniversary of Armistice Agreement."]

On 27 July 1985, at the upper left of page 2, the paper carried an editorial entitled, "We Warmly Welcome the Opening of the 12th World Student Festival." [Text published in FBIS Asia and Pacific DAILY REPORT Vol IV, No 146, 30 July 1985, pp D 10-12: "NODONG SINMUN Welcomes Festival".]

On 30 July 1985, at the middle left of page 1, the paper carried an editorial entitled, "Let Us Prepare For Winter Fishing Well." The editorial notes the necessity of properly preparing for winter fishing operations ahead of time since it is forecast that the sardine fishing battle will continue in full swing during September and October; calls upon the functionaries in the Wonsan, Yukdae, Tanchon, Yongdae and Yonjin fisheries stations to perform the necessary calculations for this year's fishing operations, muster all facilities and perform manpower and battle organization work properly and have the fishing boats and fishing gear which are mobilized for the sardine fishing battle overhauled; warns that thinking that winter fishing preparations should start after the sardine fishing season is erroneous since time will be lost; quotes Kim Il-song on repairing fishing boats during a short time so as not to lose precious fishing days and to raise up the per capita production of the fisheries employees; calls upon the functionaries and workers in ship repair factories to establish ship repair plans and fulfill their ship repair quotas by day, 10-day period and by month; notes that the workers and technicians at the Tanchon Ship Repair Factory are upholding the instructions of Kim Il-song on ship repair and are exceeding their daily and monthly quota of ship repair by 3.4 percent; mentions that the Kangwon Province Fishing Gear Factory had the production workers search out and mobilize inner reserves to increase production of fishing gear significantly, especially fishing nets; calls for fish net factories and fishing gear factories to produce much more fishing gear such as nets, lines, reels with multiple hooks, etc., according to type and size and for the fisheries stations to conduct maintenance on their detection equipment; urges the functionaries in the fisheries sector to go down to the fisheries stations and cooperatives to ascertain the status of preparations for winter fishing and fish processing, settle all problems encountered expeditiously and devote attention to establishing the conditions for preparing the fish processing factories and living conditions of mobile operations teams; exhorts the committees and ministries of the administration council to send down to the fisheries sector the machinery, parts and materials they need and for the provinces to organize fishing preparation assistance work like rural assistance work; urges party organizations and three revolutions teams to bring the party members and workers to a strong resolve and resolute spirit to carry out winter fishing preparatory work through their own efforts.

8446/12948

CSO: 4110/031

N. KOREA/ECONOMY

UPGRADING ECONOMY THROUGH TECHNICAL INNOVATION

Pyongyang MINJU CHOSON in Korean 27 Jul 85 p 3

[Article: "Let Us Fan the Flames of Mass Technological Innovation and Render a Positive Contribution To Embodying the Chuche Orientation, Modernization and Scientification of the National Economy; Technical Innovators Meeting Held in Each Province"]

[Text] (KCNA Pyongyang, 26 July) Technical innovators meetings are being held in each province.

They were held recently in South Pyongan, North Pyongan, South Hwanghae, Yanggang, North Hamgyong, South Hamgyong and Kangwon Provinces.

Functionaries in sectors concerned attended the meetings together with technical innovators, technicians and functionaries in the heat management sector.

At the meetings they evaluated the successes and experiences gained in projects to implement the party's program of technical revolution and discussed measures for thoroughly implementing the congratulatory message which the Central Committee of the Korean Workers Party sent to the national convention of technical innovation leaders and for upgrading heat management work.

Reports and discussions took place at the meetings.

The reporters and discussants singled out the fact that the technical innovators meeting was held in the exuberant atmosphere of the entire country celebrating the 40th anniversary of national liberation and the 40th anniversary of the founding of the party at grand festivals of victors.

They mentioned the tremendous successes achieved over the past 5 years in accomplishing technical innovations under the wise leadership of the great leader and the party.

Successes achieved in South Pyongan Province during the previous period through intensification of the "4.15 technical innovation shock brigade" and heightening its role, consisted in the introduction of over 34,400 valuable, technically innovative proposals including designing and manufacturing over 18,800 modern machines.

The struggle was also vigorously waged in South Hwanghae Province to implement the party's program of technical revolution which included waging the struggle to establish basic chemical industrial bases in the cities and counties and positively promoting modernization of local industrial factories to increase production capacity.

In Kaesong City, production was greatly increased while conservation was practiced.

In Kaesong City, they conserved much manpower, raw and processed materials and fuel and greatly increased production by incorporating thousands of technological innovative proposals during the past 5 years, strengthening the material and technological foundation of the factories and enterprises and raising production capacity during the past 5 years.

Reporters and speakers at the meetings pointed out that through intensifying creative cooperation between the workers and technicians and energetically carrying out the technical innovation campaign on a mass scale, numerous inventors and protagonists of creative proposals arose from this group.

The reporters and discussants pointed out that the important task lay before them of more vigorously waging the technical revolution in accordance with the demands of real development for setting the national economy on a chuche-oriented, modern and scientific footing, accelerating the realization of the 10-point program of socialist economic construction and of positively participating in raising the living standard to a marked degree.

The great leader, Comrade Kim Il-song, taught as follows: "The technical revolution is the sacred revolutionary task for developing productivity to advance the material welfare of the people continuously and liberate the workers from strenuous labor."

The reporters and discussants mentioned being profoundly aware of the sacred obligation incumbent upon them to accomplish the technical revolution and brilliantly implement the instructions of the great leader and the wishes of the party.

They pointed out how to fully settle all questions arising in upholding the letter of congratulations sent by the Central Committee of the Korean Workers Party to the national convention of technical innovation leaders, properly forming and heightening the role of technological innovation shock brigades, scientist and technician shock brigades, expediting the conversion of the national economy on a chuche-oriented, modern and scientific basis and raising production and upgrading heat management.

They mentioned that they were actively putting into practice the creative proposals and technological innovative proposals adopted at the meetings of technical innovators held in South Hamgyong, North Hamgyong and Yanggang Provinces to firmly establish chuche in scientific and technological development,

strengthening creative cooperation among the workers, technicians and scientists, raising up the level of technological facilities in all industrial sectors within the province including the metallurgical industry, building materials industry and light industry and expediting the comprehensive mechanization and automation of production.

They stressed that much effort was expended at the meeting of technical innovators held in Kangwon Province to settle all technical questions concerned with conserving heat energy and raw and processed materials such as coal and electric power, decreasing the rate of product basic unit consumption and effectively utilizing the country's resources.

At the meetings of technical innovators in each province, important emphasis was placed on forcefully carrying on the 'let one machine tool make another' campaign in factories and enterprises such as machine factories in compliance with the great leader's instructions and the will of the party.

At the meetings, as well, they mentioned assisting household necessities shops, work teams and cottage industry teams technically to increase the quantity and further raise up the quality of consumer goods while at the same time further modernizing machine equipment and production processes and setting up many new production processes.

At the meetings, they spoke about the technical innovators, scientists and technicians decisively heightening their political and ideological level and improving their technical and practical skills in order to conquer the rather high peaks for accomplishing the technical revolution.

At the meetings, they emphasized that all technicians, workers and economic guidance functionaries should wonderfully repay the party's confidence and expectations by eliminating all manifestations of belittling technical development and that they would reap shining success in the dedicated struggle to implement the party line of technical revolution.

8446/12795

CSO: 4110/228

N. KOREA/ECONOMY

DISABLED VETERANS PRODUCE GENERAL GOODS

Pyongyang NODONG SINMUN in Korean 30 Jul 85 p 3

[Article by reporter Yi Chong-Kwan: "Functionaries and Workers of the Songyo Disabled Veterans Ironware Daily Necessities Factory"]

[Text] The Songyo Disabled Veterans Ironware Daily Necessities Factory is only a small factory not renowned worldwide. In this small factory, however, they have produced a new gas lighter which has achieved popular acclaim.

The fact that hundreds of thousands of new gas lighters have been produced so far in such a small factory as this is no small feat.

Based on their production experience up till now, the workers and technicians in this factory are expediting preparations with the goal of producing five times as many gas lighters as now.

Moreover, the workers and technicians in this factory are also making all-purpose flashlights for everyday use and are also producing signal lanterns and batteries for the railroad transportation sector.

Because these signal lanterns and work lamps are lightweight and very easy to use, they are meeting with consumer approval. Needless to say, all the products produced in this factory are the results achieved by the workers and technicians setting up their own equipment and pushing out all the necessary products one at a time.

How were such products made in such an unheralded small factory?

Member of the standing committee and secretary of the Party Central Committee Political Bureau, Comrade Kim Chong-il, pointed out the following:

"General sundries production must also be increased. General sundries may be something miniscule but ordinary living would be uncomfortable without them. We must make an effort in general sundries production, increase the number of types and quantity and decisively enhance their quality."

The task of this factory is to make various and sundry daily necessities needed by the people in greater quantity and of better quality. Comrades An

T'ae-Kyun, Pak Yong-kil and Han Myong-sun, technicians of long standing in this factory who pondered how to make and provide much more general goods needed by the people, visited the factory primary level party committee and spoke in this fashion.

"Let's try making new gas lighters in our factory. We researched this matter and found that we can make them. Thus what a good deed this would be to fulfill popular demand even better."

The primary level party committee positively supported their proposal. How admirable to step forward and propose such a good question! Let's positively press forward and go ahead with this! Such was their resolve.

Thus they rushed ahead to make equipment to produce new gas lighters. The director, Comrade Won Ch'ang-pin and responsible engineer, Comrade Chang Chae-man, took the lead in the difficult battle to design and make equipment on their own. They are disabled veterans but they accepted the wishes of the party to continue to make the flowers of revolution bloom and they devoted all their strength and wisdom to this end.

To produce new gas lighters, more precision processing equipment is needed. Consequently, the workers and technicians in the factory set out to make more than 10 kinds of equipment such as nozzle makers, roller makers, diecasts and rubber washer die machinery, etc.

There were some failures and some barriers blocking the way but they eventually succeeded in making over 10 kinds of magnificent machinery.

It was only after the functionaries and workers of this factory had made all material and technological preparations for producing gas lighters that they then went into production, held back their cheers when the test products came out until they rectified deficiencies and then doggedly struggled to set up a strong base for mass production.

In particular, they took the test products to a few dozen people to try them out, heard their views and made corrections without glossing over the slightest defect. Thus, it was only after they made certain that there were no defects in the gas lighters that they converted to mass production.

The beloved Comrade Kim Chong-il saw the new gas lighters made in this factory and praised them for a job well done.

Greatly encouraged by this, the functionaries and workers of the factory waged a struggle to increase the machinery to produce more and better lighters. Accordingly, they were able to obtain over 20 pieces of machinery and thereby raise production capacity several times.

Moreover, they contributed to the people's livelihood by making all-purpose flashlights and batteries. In particular, the functionaries and workers of this factory strove to contribute to national economic development by making daily necessities as their part in the people's livelihood.

As soon as the decision on the entire country and the whole populace vigorously helping the railroads was adopted at the 18th Plenum of the 5th Party Central Committee, they decided to make signal lanterns to help the railroads. If they were going to make signal lanterns, they would have to make a great deal of machinery such as radiators, presses, etc. Thus, they started to help the railroads by making light yet convenient signal lanterns. They are producing hundreds per month and sending them out on a regular basis.

Today, the workers and technicians of this factory have made over a hundred pieces of valuable machinery on their own to produce dozens of products. Their various kinds of ironware such as penlights, pencil tops, various types of curtains, etc., are being highly acclaimed by consumers.

The disabled veterans here who bravely fought for the defense of their country, are likewise blossoming in socialist construction. Their struggle to conquer the fortress of technology so as to contribute to socialist economic construction and the people's livelihood is truly laudable.

What revolutionary warriors so loyal to the party they must be to take on a difficult task on their own, at the benefit of no one, and to feel a sense of achievement in carrying it out, rushing forward to set higher goals to conquer!

Exceeding their quotas every month and every quarter, they are out in front in outfitting their factory attractively and in orderly production and systematic living.

They particularly manage well all the more than 100 pieces of machinery they made themselves and made them all into "No 26 model machines." Having helped and guided each other to take part in the revolution with a revolutionary zeal of contributing to socialist economic construction, they have indeed become disabled veterans who continue to make the flowers of revolution come to full bloom.

8446/12379

CSO: 4110/224

N. KOREA/ECONOMY

PRODUCING MORE MACHINE TOOLS

Pyongyang NODONG CHONGNYON in Korean 26 Jul 85 p 1

/Article by Pong Mu-Kil: "Many More Machine Tools; The Members of the League of Socialist Working Youth and Youth Within North Hwanghae Province who are Actively Seeking out Internal Reserves and Vigorously Engaged in the 'Let one Machine Tool Make Another Campaign.'" /

/Text Upholding the great leader's instructions and the decisions and directives of the party, the League of Socialist Working Youth /LSWY members and youth within North Hwanghae Province are actively seeking out internal reserves and vigorously waging the struggle to make many machine tools with the resolve to illuminate this year of significance celebrating the 40th anniversary of national liberation and the 40th anniversary of the founding of the party with praiseworthy achievements.

The beloved leader, Comrade Kim Chong-il, pointed out the following: "We must highly display the revolutionary spirit of self reliance, find what is absent, and effectively use what is lacking to produce much more, much better and conserve even more."

The LSWY members and youth at the youth No 1 processing shop of the Hwangae Iron Complex have shown themselves to be models in the struggle to produce even one machine tool in great amounts and better quality to demonstrate a high revolutionary spirit of self-reliance.

They are upholding the on-the-spot instructions of the great leader which he gave when he visited this shop in May 1974, saw the large-scale machine tool which they had made on their own and said they should have the machine tool make others and provide production of the equipment and parts needed to make iron and steel through their own efforts. Moreover, they are reliving their momentous experience of having over 20 machine tools reproduce and raise the manufacturing capability by 1.5 times through their own efforts during the previous period and are launching the "let one machine tool make another" campaign in an exemplary fashion.

The LSWY members and youth have set a bold goal of locating internal reserves to make over 20 machine tools through their own efforts in the near future, such as multi-purpose processing lathes, regular lathes, etc., and are waging the struggle to realize this goal in an exemplary fashion.

The LSWY functionaries explained to and inculcated the youth with the fact that making even one kind of machine tool in greater quantity and better quality is the loyal road to causing the high-minded wishes of the great leader and the beloved comrade leader to bloom and they firmly stationed the youth in the forefront of this endeavor.

Accordingly, the youth are rushing forth into the "let one machine tool make another" campaign traversing a murky path with unflagging spirit.

The struggle to make machine tools is vigorously being waged among the LSWY members and youth in factories and enterprises in Sariwon City as well.

Upholding the party's requirement to use everything most sparingly, locating a maximum of reserves to produce much more, the LSWY members and youth in the North Hwangae Province construction vehicle transport unit, having made such machines as the 100 ton grinder, all-purpose lathe, etc., on their own from reserves which they located themselves, are waging an energetic struggle with the goal of mobilizing internal reserves and making more machine tools. The LSWY members and youth in the fabrication shop of the Sariwon trailing farm machine factory who participated in marvelously making a turning lathe thereby increasing production, are also struggling now toward the goal of locating internal reserves to make new machinery and production equipment.

Such struggles are now vigorously being waged among the LSWY members and youth in various factories and enterprises including the 2.8 cement factory and the 8 November ore mine.

8446/12276

CSO: 4110/229

N. KOREA/ECONOMY

NEW PLANT TO PRODUCE PARTS FOR EXTRACTION FACILITIES

Pyongyang MINJU CHOSON in Korean 11 Oct 85 p 4

[Text] The Kusong machine plant is completed and began operations on 9 October.

At a time when workers of the whole nation are launching a vigorous labor struggle in all sectors of the people's economy in order to give the 40th anniversary of the party's establishment a shining, victor's grand celebration, the vigorous rise of a modern base to produce parts for extraction facilities is of particular significance in that it accelerates construction of the national economy and raises people's livelihood.

This machine plant, covering tens of thousands of square meters, is composed of over 10 modern buildings for production, including steel casting, assembling, engine repairing, and finishing shops, and every production process is mechanized.

With the vigorous rise of this modern production base for parts for extraction facilities under the wise leadership of our great leader and party, it is possible to smoothly solve problems of parts for extraction facilities and to further increase the production of nonferrous metals.

This plant, which we built rapidly in a little over 1 year through our work, our technique, and our facilities and resources, is another proud creation that will contribute to the capturing of nonferrous metal resources of 1.5 million tons ahead of schedule.

On 9 October, a ceremony was held on the spot to mark the opening of the Kusong machine plant.

Attending the ceremony were the field workers concerned, including Comrade Kim Hwan, member of the Korean Workers Party Central Committee Political Bureau, and Kim Byong-ryul, responsible secretary for the North P'yongan Province Party Committee and chairman of the People's Committee for North P'yongan Province, along with plant staff, construction workers, and volunteers.

Reporting at the ceremony was Kim Chang-ju, responsible secretary for the Kusong City Party Committee and chairman of the People's Committee for Kusong City.

The rapporteur pointed out that our dear Comrade Kim Chong-il enabled us to build the Kusong machine plant, chose the plant site, released facilities, materials, and means of transportation needed for the construction, and wisely guided us to speed up the construction through a mass movement.

He stressed that both construction workers and volunteers of the Kusong machine plant, while paying high respect to the party's aims, consistently rushed forth and highly displayed the revolutionary spirit of self-reliance and arduous struggle, which gave splendid impetus to the completion of the plant in only a little over 1 year as a monumental creation of the long-range plan.

He went on to say that he presents to the great leader Comrade Kim Il-song, who always guides the people to the main road of victory and glory, and to the honorable Party Center the greatest honor and the warmest thanks filled with the consistently heartfelt loyalty of the ceremony participants and all party members and workers of the city.

The rapporteur said that before the Kusong machine plant lies an honorable, massive task to secure production of more high-quality parts for facilities that are needed to increase production of nonferrous metals, and pointed out that we must face the need to earnestly maintain the plant, to control and manage it as befitting the master, and to plan and coordinate the economic organizational work, thereby regularizing production at a high level.

The rapporteur stressed that the party members and workers of the plant should, as required by the Taaen work system, work well in facilities management, materials management, and labor management, regularize the enterprise management, and produce more and better parts for facilities with existing labor, existing facilities, and existing materials.

After the close of the ceremony, the participants visited the plant's production processes.

13095/12379
CSO: 4110/011

END